



## NOTICE OF POSTAL BALLOT

Notice is hereby given pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) (the “Act”), read with Rule 22 of the Companies (Management and Administration) Rules, 2014 including any statutory modification or re-enactment thereof for the time being in force (the “Rules”) read with rules made thereunder and General Circular No. 33/2020 dated 28<sup>th</sup> September 2020 read with General Circular No.14/2020 dated 8<sup>th</sup> April 2020, General Circular No. 17/2020 dated 13<sup>th</sup> April 2020 and General Circular No. 22/2020 dated 15<sup>th</sup> June 2020, in relation to “Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of COVID-19 – extension of time” issued by the Ministry of Corporate Affairs, Government of India (the “MCA Circulars”), that the resolution appended herein below is proposed to be passed as a special resolution by the Members of **Tata Technologies Limited** (the “Company”) through Postal Ballot only through the remote e-voting process.

The proposed Special Resolution and Explanatory Statement setting out material facts as required in terms of Section 102 of the Act read with the Rules and the MCA Circulars are appended below seeking consent of the Members of the Company through remote e-voting. Pursuant to sub-rule 5 of Rule 22 of the Rules, the Board of Directors of your Company at its meeting held on 2<sup>nd</sup> December 2020 has appointed Mr. Jayavant Bhawe, Proprietor, J. B. Bhawe & Co., Company Secretaries, Pune, as the Scrutinizer to conduct the Postal Ballot and e-voting process in a fair and transparent manner.

In compliance with the provisions of Sections 108 and 110 of the Act read with the Rules and the MCA Circulars, the Company is sending this Postal Ballot Notice in electronic form only and has extended only the remote e-voting facility for its Members, to enable them to cast their votes electronically instead of submitting the Postal Ballot form. The hard copy of this Postal Ballot Notice along with Postal Ballot forms and pre-paid business envelope will not be sent to the Members for this Postal Ballot. The instructions for remote e-voting are appended to this Postal Ballot Notice.

You are requested to carefully read the instructions in this Postal Ballot Notice and record your assent (FOR) or dissent (AGAINST) through the remote e-voting process not later than 5:00 P. M. IST on 11<sup>th</sup> January 2021, failing which it will be strictly considered that no reply has been received from the Member. After completion of scrutiny of the votes, the Scrutinizer will submit his report to the Chairman of the Company or a person authorized by the Chairman. The results of the Postal Ballot will be announced, not later than 48 hours from the submission of the results by the scrutinizer to the Company and will be displayed at the Registered Office of the Company and will also be uploaded on the Company’s website [www.tatatechnologies.com](http://www.tatatechnologies.com) and on the website of National Securities Depository Limited (“NSDL”) [www.evoting.nsdl.com](http://www.evoting.nsdl.com). The proposed Special Resolution, if approved, shall be deemed to have been passed on the last date of voting, i.e. 11<sup>th</sup> January 2021.

### TEXT OF THE SPECIAL RESOLUTION:

#### **ADOPTION OF RESTATED AND AMENDED ARTICLES OF ASSOCIATION OF THE COMPANY**

**RESOLVED THAT** pursuant to the provisions of section 14 and other applicable provisions, if any, of the Companies Act, 2013, read with rules framed thereunder (including any statutory modifications, amendments thereto or re-enactment thereof, the circulars, notifications, regulations, rules, guidelines, if any, issued by the Government of India) (the “Act”), and the recommendation made by the Board of Directors of the Company, consent of members of the Company, be and is hereby accorded to alter and replace the existing Articles of Association of the Company with the restated and amended Articles of Association of the Company (the “Amended Articles”), which incorporates the provisions of the shareholders’ agreement dated 3<sup>rd</sup> May 2011 executed between the Company, Alpha TC Holdings Pte. Limited, Tata Motors Limited, Tata Trustee Company Limited, in its capacity as trustee to Tata Capital Growth Fund I, as amended by the agreement dated 12<sup>th</sup> November 2020 and that the Amended

### **TATA TECHNOLOGIES** **Tata Technologies Limited**

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CIN U72200PN1994PLC013313

Email: [investor@tatatechnologies.com](mailto:investor@tatatechnologies.com)

Website: [www.tatatechnologies.com](http://www.tatatechnologies.com)



Articles be and are hereby approved in substitution for, and to the entire exclusion, of the existing Articles of Association of the Company.

**RESOLVED FURTHER THAT** any Director of the Company or Mr. Vikrant Gandhe, Company Secretary be and are hereby severally authorised to execute and file necessary forms and other necessary documents as may be required by the statutory authorities including with Registrar of Companies and to do all such acts and deeds as may be necessary for the implementation of this resolution and to submit all documents to the concerned authorities in this behalf.

**NOTES:**

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 read together with Rule 22 of the Companies (Management and Administration) Rules, 2014 setting out material facts in respect of the aforesaid resolution is annexed hereto.

The Postal Ballot Notice is being published/displayed for all the Members, whose names appear in the Register of Members/ List of Beneficial Owners as received from Depositories i.e. National Securities Depository Limited (“**NSDL**”)/Central Depository Services (India) Limited (“**CDSL**”) as on 4<sup>th</sup> December 2020 and is also being sent to the Members who already have their e-mail IDs registered with the Company/Depositories, in accordance with the provisions of the Companies Act, 2013, read with Rules made thereunder and General Circular No. 33/2020 dated 28<sup>th</sup> September 2020 read with General Circular No.14/2020 dated 8<sup>th</sup> April 2020, General Circular No. 17/2020 dated 13<sup>th</sup> April 2020 and General Circular No. 22/2020 dated 15<sup>th</sup> June 2020. A person who is not a Member as on 4<sup>th</sup> December 2020, should treat this Postal Ballot Notice for information purposes only. A copy of this Postal Ballot Notice will also be available on the website of the Company at [www.tatatechnologies.com](http://www.tatatechnologies.com) and the website of NSDL <https://www.evoting.nsdl.com>.

2. The Members of the Company whose names appear in the Register of Members/List of Beneficial Owners as received from Depositories i.e., NSDL/CDSL as on 4<sup>th</sup> December 2020 (including those Members who may not have received this Postal Ballot Notice due to non-registration of the e-mail ID with the Company/Depositories), shall be entitled to vote in relation to the resolution specified in this Postal Ballot Notice.
3. In terms of Sections 108, 110 and other applicable provisions of the Companies Act, 2013, as amended, read together with the Rules, MCA Circulars as amended from time to time, the Company is pleased to offer remote e-voting facility to all the Members. The Company has appointed NSDL for facilitating remote e-voting to enable the Members to cast their votes electronically.
4. In compliance with the General Circular No. 33/2020 dated 28<sup>th</sup> September 2020 read with General Circular No.14/2020 dated 8<sup>th</sup> April 2020, General Circular No. 17/2020 dated 13<sup>th</sup> April 2020 and General Circular No. 22/2020 dated 15<sup>th</sup> June 2020 issued by the Ministry of Corporate Affairs (“MCA”) (hereinafter collectively referred to as “MCA Circulars”), this Postal Ballot Notice is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. The hard copy of this Postal Ballot Notice along with Postal Ballot forms and pre-paid business envelope will not be sent to the Members for the Postal Ballot in accordance with the requirements specified under the MCA Circulars. Accordingly, the communication of the assent or dissent of the Members would take place through the remote e-voting system only.
5. Members holding shares in dematerialised mode are requested to register/update their email addresses with the relevant Depository Participants. Members holding shares in physical mode and who have not registered/updated their email addresses with the Company are requested to register/update their email addresses by writing to the Company’s Registrar and Transfer Agent, TSR Darashaw Consultants Private Limited at [csq-unit@tsrdarashaw.com](mailto:csq-unit@tsrdarashaw.com) along with the copy of the signed request letter mentioning the name, address and folio number, self-attested copy of the

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PAN Card, copy of the share certificate (front and back), and self-attested copy of any document (e.g.: Aadhaar Card, Driving License, Election Identity Card, Passport).

6. The remote e-voting period commences on 12<sup>th</sup> December 2020 at **9:00 A.M. IST** and ends on 11<sup>th</sup> January 2021 at **5:00 P.M. IST**. The remote e-voting shall not be allowed beyond the said date and time. During this period, the Members of the Company holding shares in physical form or in dematerialised form, as on the cut-off date, being 4<sup>th</sup> December 2020, may cast their votes by electronic means in the manner and process set out herein below. The remote e-voting module shall be disabled for voting thereafter. Once vote on the resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
7. The voting rights of the Members shall be in proportion to their shares in the total paid-up equity share capital of the Company, as on 4<sup>th</sup> December 2020.
8. The instructions and other information relating to e-voting are as under:

The remote e-voting period begins on 12<sup>th</sup> December 2020 at 09:00 A.M. and ends on 11<sup>th</sup> January 2021 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

**How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:*

**Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2: Cast your vote electronically on NSDL e-Voting system.**

**Details on Step 1 is mentioned below:**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below:

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID

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	For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "[Forgot User Details/Password?](#)"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) [Physical User Reset Password?](#)" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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**Details on Step 2 is given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company, which is 115263.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines to shareholders:**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [jayavantbhave@gmail.com](mailto:jayavantbhave@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request to contact NSDL on [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or contact [Mr. Amit Vishal, Senior Manager, NSDL at amitv@nsdl.co.in](mailto:amitv@nsdl.co.in) / 022-24994360 or Ms. Pallavi Mhatre, Manager, NSDL at [pallavid@nsdl.co.in](mailto:pallavid@nsdl.co.in) / 022-2499 4545 or Mr. Sagar Ghosalkar, Assistant Manager- NSDL at [sagar.ghosalkar@nsdl.co.in](mailto:sagar.ghosalkar@nsdl.co.in) / 022-24994553.

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [csg-unit@tsrdarashaw.com](mailto:csg-unit@tsrdarashaw.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [csg-unit@tsrdarashaw.com](mailto:csg-unit@tsrdarashaw.com).

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**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE ACT READ TOGETHER WITH RULE 22 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014**

**Adoption of restated and amended Articles of Association of the Company**

To give effect to the terms of shareholders' agreement dated 3<sup>rd</sup> May 2011 (the "**Shareholders' Agreement**") executed between the Company, Alpha TC Holdings Pte. Limited, Tata Motors Limited, Tata Trustee Company Limited, in its capacity as trustee to Tata Capital Growth Fund I, as amended by the agreement dated 12<sup>th</sup> November 2020, certain amendments are required to be made to the existing Articles of Association of the Company to incorporate the provisions of the Shareholders' Agreement (the "**Amended Articles**") and also to restate the Articles of Association to bring it in line with the provisions of the Companies Act, 2013.

This amendment to the existing Articles of Association of the Company, in terms of the Companies Act, 2013, requires the members of the Company to approve the same.

A draft of the Amended Articles of the Company is attached and would also be available for inspection at the website of the Company at [www.tatatechnologies.com](http://www.tatatechnologies.com) from the date of issue of this notice, till the last date upto which the e-voting period is open for passing of this special resolution through postal ballot .

None of the Directors, key managerial personnel and/or their relatives, are in anyway concerned with or interested, financially or otherwise, in the resolution, except to the extent of their respective shareholding in the Company.

The Board of Directors of the Company had, at its meeting held on 18<sup>th</sup> May 2020, approved the restatement and amendment of the Articles of Association and have recommended the adoption of the special resolution as set out in the Notice.

**By Order of the Board of Directors**

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**Vikrant Gandhe**  
Company Secretary  
FCS 4757

**Date: 9<sup>th</sup> December 2020**  
**Place: Pune**

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**THE COMPANIES ACT, 2013  
COMPANY LIMITED BY SHARES  
ARTICLES OF ASSOCIATION  
OF  
TATA TECHNOLOGIES LIMITED**

1. The regulations contained in Table F, in the First Schedule to the Companies Act, 2013, including but not limited to the provisions set out herein below shall apply to this Company, except to the extent as is modified or amended by these Articles.

2. Definitions and Interpretations:

In the interpretation of these Articles the following expressions shall have the following meanings, unless repugnant to the subject or context:

**“Addendum to the Shareholders Agreement”** means the addendum to the Agreement dated November 12, 2020 together with its Schedules and Annexures as amended and supplemented from time to time;

**“Agreement”** means the Shareholders Agreement executed between the Investors, the Sponsor and the Company, dated May 03, 2011 together with its Schedules and Annexures as amended and supplemented from time to time;

**“Best Efforts Basis”** means the undertaking of the required task or event with diligence and in good faith but with no guarantee to achieve the required result including suffering or incurring any liability whatsoever in relation to the result or otherwise of such efforts;

**“Big Four Firm”** means Deloitte & Touche, KPMG, Price Waterhouse Coopers or Ernst & Young or their Indian affiliates;

**“Business Plan”** means the business plan of the Company as prepared, approved and amended from time to time by the Company;

**“Competitor”** means any person whose principal business is similar to that of the Company and directly competes with the Company in India or any jurisdiction where the Company carries out the Business or part thereof.

**“Completion Date”** means the date on which the Investors become Shareholders of the Company in accordance with the terms of the Agreement;

**“Control”** or **“Controlled”** means the power to direct the management or policies of a Person, whether through the ownership of over 50% of the voting power of such Person, through the power to appoint over half of the members of the board of directors or similar governing body of such Person, through contractual arrangements or otherwise.

**“Critical Item”** means items specified in clause (1), (2), and (6) of Article 78;

**“Deed of Adherence”** means a deed in the form as agreed between the Parties.

**“Directors”** means the Directors for the time being of the Company or as the case may be the Directors assembled at the Board.

**“Dividend”** includes interim dividend.

**“Key Executive(s)”** shall mean the chief executive officer (CEO) or the managing director or the manager, or the chief operating officer (COO), or such other executive or officer designated as a Key Executive by the Directors of the Company from time to time;



**“Group Company”** means the Company, any company which is for the time being a subsidiary of the Company, and any Joint Venture company where the Company is one of the Joint Venture partners, including without limitation, Tata HAL Technologies Ltd.;

**“Investor Consideration”** shall mean the aggregate Subscription Price paid by the Investors on Investor Shares;

**“Investor No.1”** means Alpha TC Holdings Pte. Ltd., a company incorporated under the Laws of Singapore and having its registered office at 8 Cross street, 72 Anson Road #12-02 Anson House Singapore 079911 (which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns);

**“Investor No.2”** means Tata Capital Growth Fund I, registered as a domestic venture capital fund under the laws of Republic of India and acting through its Trustee Tata Trustee Company Limited, represented by Tata Capital Limited, the investment manager, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400 013;

Investor No. 1 and Investor No. 2 are hereinafter collectively referred to as the **“Investors”** and individually as **“Investor”**.

**“Investor Group”** means the Investors and any Permitted Transferees of the Investors;

**“Investors’ Consent”** means the prior written consent of the Investors;

**“Investor Shares”** means the Subscription Shares, and/or any shares of the Company at any time acquired by the Investor or any member of the Investor Group pursuant to and under these Articles and the Shareholders Agreement;

**“In writing”** includes any communications made by letter or facsimile or email;

**“IRR”** shall mean the discount rate that, when compounded as on the date on which any of the amounts set out in (a) to (f) are paid and applied to the sum of (a) to (f), would result in the net present value of all distributions referred to in (a) to (f) being zero:

- (a) in the case of the Investor, the consideration paid by the Investor, i.e., the (“Subscription Price”) and any other amounts paid for subscription to or purchase of further securities of the Company as on the date of such subscription or purchase in accordance with the terms of these Articles;
- (b) any other advances or contributions made by the Investors to the Company save and except in relation to any amounts contributed by way of debt or non-convertible preference shares;
- (c) dividends paid by the Company in relation to the Investor Shares and other Shares held by Investor, the subscription price or purchase price of which is considered under (a) above;
- (d) all proceeds from the sale of assets, in whole or in part, distributed by the Company to the Investors;
- (e) any cash and other distributions by the Company to the Investors including but not limited to distribution in connection with any liquidation, dissolution, merger, consolidation, amalgamation, reorganization, buy – back of shares or reduction of share capital; and



- (f) any proceeds from the sale of the Shares held by the Investors, during such period.

The amounts paid out by the Company in the items set out at (a) to (f) of this definition of the term IRR shall be calculated (i) in INR, (ii) net of all domestic taxes in the hands of the Company and in Indian Rupees as of the date of distribution. For the avoidance of doubt, it is hereby clarified that the Company shall deduct all applicable taxes on any distributions made by it to the Investors and shall not be liable for payment or in any other manner whatsoever for the payment of any taxes levied or leviable on the Investors in respect of any distribution made by the Company to the Investor. For avoidance of doubt, the valuation to determine the IRR will be computed on terms similar to the entry level monetary valuation at the time of subscription.;

**“Joint Venture”** means any company or body corporate in which the Company directly owns not less than 50% of the issued equity share capital or ownership interests of such company or body corporate.

**“Law”** means all applicable statutes, enactments, acts of the state legislature or parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Governmental Authority, statutory authority, tribunal, board, court or recognised stock exchange, as may be applicable, of India and having the force of law;

**“Office”** means the Registered Office for the time being of the Company;

**“Party”** shall mean any signatory to the Agreement and any Person who subsequently becomes a party to the Agreement as provided herein and who signs a Deed of Adherence and the term **“Parties”** shall be construed accordingly;

**“Permitted Transferees”** means (i) any Affiliate of an Investor and (ii) shall include any fund, collective investment scheme, trust, partnership (including, without limitation, any co-investment partnership), special purpose or other vehicle or any subsidiary or Affiliate of any of the foregoing, Controlled by the Investor or any of its Affiliate or in a fund or investment entity in which Tata Capital Ltd. or its Affiliates is the managing partner.

**“Prohibited Persons”** means any Person as agreed between the Parties and which list may be amended by the Company with prior written notice of 90 days to the Investors, it being agreed that such notified Persons shall, at no time, exceed more than 10 (ten) Persons. It is further clarified that if any Investor has commenced discussions or negotiations or has received any written expression of interest from a person who is subsequently specified as a Prohibited Person, then such person shall not be a Prohibited Person;

**“Pro Rata Share”** means, with respect to any Shareholder, the proportion that the number of Shares held by such Shareholder bears to the aggregate number of Shares held by all Shareholders, in each case on a non-diluted basis;

**“Reserved Matters”** means the matters set out in Article 78 hereto;

**“Return Threshold”** means the price agreed among the Parties;

**“Seal”** means the common seal for the time being of the Company.

**“Share(s)”** means the Equity Securities of the Company (including without limitation the equity shares).

**“Shareholders”** for the purposes of these Articles, shall mean and collectively refer to the Sponsor and the Investors and their respective Affiliates or (in the case of the Investor),

Permitted Transferees which hold Shares in the Company, and the term "Shareholder" shall be construed accordingly;

**"Share Capital"** means the fully paid-up share capital of the Company on a Fully-Diluted Basis;

**"Sponsor"** means Tata Motors Ltd., a company incorporated under the Laws of India and having its registered office at Bombay House, 24, Homi Mody Street, Fort, Mumbai 400001, (which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns);

**"Stock Exchange(s)"** means the Bombay Stock Exchange Limited, Mumbai or the National Stock Exchange of India Limited or such other Stock Exchange that may be mutually agreed to in writing between the Shareholders (including the Investors);

**"The Act"** or **"the said Act"** means The Companies Act, 2013, as amended up to date or any other Act or Acts for the time being in force in India containing the provisions of the Legislature in relation to companies.

**"The Board"** or the **"Board of Directors"** means a meeting of the Directors duly called and constituted or as the case may be the Directors assembled at a Board, or the requisite number of Directors entitled to pass a Circular Resolution in accordance with these Articles.

**"The Company"** or **"This Company"** means **"Tata Technologies Limited"**.

**"These presents"** or **"Regulations"** means these Articles of Association as originally framed or altered from time to time and includes the Memorandum where the context so requires.

**"Transfer"** means to sell, gift, assign, amalgamate, merge or suffer to exist (whether by operation of Law or otherwise) or create any Encumbrance on any Shares or any right, title or interest therein or otherwise to dispose of in any manner whatsoever;

Subject as aforesaid any words or expressions defined in the Act shall except where the subject or context forbids bear the same meaning in these Articles.

Words importing the plural number also include the singular number.

Any References to the masculine, the feminine and the neuter genders shall include references to each other gender.

The marginal notes hereto shall not affect the construction hereof.

3. The Capital of the Company is as reflected in Clause V of the Memorandum of Association, from time to time.
4. In the event it is permitted by the Law to issue shares with non-voting rights attached to them, the Directors may, subject to provisions of Articles 56 and 5, issue such shares upon such terms and conditions and with such rights and privileges annexed thereto as thought fit and as may be permitted by law.

#### **FUTURE FUNDING AND OTHER FINANCING ARRANGEMENTS**

5. (1) Business Plan: The Company agrees to ensure that all activities of the Company shall be in accordance with the Business Plan. The Company confirms that as on the Effective Date, the Company is fully funded to the maximum extent as contemplated under the Business Plan. The Shareholders may mutually agree in writing to amend the Business Plan in the future and from time to time as a result of internal and external factors.

(2)Future Funding: The Sponsor and Company agree that the Investor shall not be obliged to give any guarantees, indemnity or similar undertaking for the benefit of the Company and/or its Subsidiaries or to Encumber its Shares in any manner for obtaining any finances for the operations or Business of the Company and/or its Subsidiaries. The Parties expect and will endeavour that the Business and any expansion thereof would be financed primarily through internal resources or through raising of external debt financing.

(3)Further Issue: For the purposes set out above or if otherwise determined by the Board after taking into account the requirements of the Business Plan for the relevant Financial Year, the Board may, subject to Applicable Law, issue and the Shareholders may subscribe to further Equity Securities ("**Further Issue**") from time to time on the basis of their Pro Rata Share and on such terms as may be determined by the Board (including the price of the Further Issue ("**Further Issue Price**"). Any Shares / Equity Securities issued shall not be subject to or entitled to any IRR requirements or other agreed return.

(4)Non Participation: All Shareholders shall have the pre-emptive right to subscribe to the relevant proportion to their Pro Rata Share in the Share Capital or such proportion that the concerned Shareholder agrees within fifteen (15) days from the date of receipt of the written notice from the Company of the respective Further Issue (the "**Further Issue Subscription Date**"). If a Shareholder (the "**Non-participating Shareholder**") is unable to, or does not, for any reason whatsoever, subscribe to its relevant proportion of the Further Issue within the time period set out above, then the other Shareholders which have subscribed to their respective relevant proportions of such Further Issue (the "**Participating Shareholders**") shall be entitled, at their option, by issue of a written notice to the Company and the Non-participating Shareholder(s), to subscribe to all or a portion of the unsubscribed Equity Securities of the Further Issue, at a price equivalent to the Further Issue Price. In such case, the shareholding percentage of the Non-participating Shareholder(s) in the Company shall stand diluted to the extent mentioned above.

(5)Right to Renounce: Each Shareholder shall have the right to renounce the Shares/ securities offered to it under this Article 5(5) in favor of any of their respective Affiliates or Permitted Transferees, provided that such Affiliate/Permitted Transferee shall (i) be jointly and severally responsible for the obligations of the Shareholder, the Affiliate/Permitted Transferee of which it is, under these Articles and (ii) be bound to execute a Deed of Adherence as a condition of such renunciation in favor of, and subscription by, the Affiliate/Permitted Transferee to such renounced Shares. In the event such Affiliate/Permitted Transferee ceases to be an Affiliate/Permitted Transferee of such Shareholder, then forthwith thereafter, such Shareholder and its Affiliate/Permitted Transferee, as the case may be, shall inform the Company and the other Shareholders, of such cessation and the shares held by such Affiliate/Permitted Transferee shall, forthwith be Transferred to the Shareholder, the Affiliate/Permitted Transferee of which it was, or to another Affiliate/Permitted Transferee (who shall also execute a Deed of Adherence) and such Transfer shall be the responsibility of such Shareholder.

(6)Same Rights: The additional Equity Securities issued to a Shareholder/ its Affiliate /Permitted Transferee pursuant to this Article 5 shall have the same rights (including as to distributions) and shall rank *pari passu* with the other Equity Securities then held by the Shareholder (or its Affiliate/Permitted Transferee).

(7)New Issues: The Company shall not, at any time issue any securities (including, without limitation, any Equity Securities) of any type or class to any Person (the "Proposed Recipient") unless the Company has offered the Shareholders in accordance with the provisions of Article 5(3) the right to purchase such Shares on a Pro Rata basis for a per share consideration, payable solely in cash, equal to the per share consideration to be paid by the Proposed Recipient and otherwise on the same terms and conditions as are offered to the Proposed Recipient; provided that the foregoing restriction shall not apply to any

issuance of Shares: (i) pursuant to an IPO as agreed between the Parties; (ii) issuance of unsubscribed additional Shares pursuant to Article 5(5).

(8)Anti-Dilution: Proportionate anti-dilution protection shall be provided to the Investors in case of any stock-split, bonus, so as to ensure that the Investors' shareholding in the Company is not affected by such events.

(9)Buy Back: In the event, the Company buys back or proposes to buy-back the Shares in accordance with the applicable Law, then the Investor shall have the right but not the obligation to offer all or any part of its Shares for sale to the Company in preference to the Sponsor to the extent permitted by applicable Law.

(10) Notwithstanding anything contained herein, the Company shall not issue any securities of the Company (including by way of Further Issue and/or New Issue) to any Person, other than the securities of the Company pursuant to the existing employee stock option or equivalent plan listed during the period until the Completion Date.

### **UNDERWRITING AND BROKERAGE**

6. The Company may subject to the applicable provisions (if any) of the Act at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe or his procuring or agreeing to procure subscription, whether absolutely or conditionally, for any shares or debentures of the Company but so that the amount or rate of commission does not exceed in the case of shares 5% of the price at which the shares are issued. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or debentures or partly in the one way and partly in the other. The Company may also on any issue of shares or debentures pay such brokerage as may be lawful.

### **CERTIFICATES**

7. (a) The certificates of title to shares shall be issued under the Seal of the Company which shall be affixed in the presence of and signed by (i) two Directors or persons acting on behalf of the Directors under a duly registered Power of Attorney; and (ii) the Secretary or some other person appointed by the Board for the purpose;

A Director may sign a share certificate by affixing his signature thereon by means any machine, equipment or other mechanical means such as engraving in metal or lithography.

PROVIDED ALWAYS that notwithstanding anything contained hereinabove the certificate of title to shares may be executed and issued in accordance with such other provisions of the Act or the Rules made thereunder, as may be in force for the time being and from time to time.

(b) Every member shall be entitled without payment to one certificate for all the shares of each class or denomination registered in his name or if the Directors so approve (upon paying such fee or fees or at the discretion of the Directors without payment of fees as the Directors may from time to time determine) to several certificates each for one or more shares of each class. Every certificate of shares shall specify the number and denoting numbers of the shares in respect of which it is issued and the amount paid thereon.

8. Notwithstanding anything contained in Article 7(a), the Board may in its absolute discretion refuse applications for the subdivision or consolidation of share, debenture or bond certificates in denominations of less than the marketable lot except when sub-division or consolidation is required to be made to comply with a statutory provision or an order of a competent court of law.
9. The Company shall within two months after the allotment of any of its shares or debentures

and within one month after the application for the registration of the transfer of any such shares or debentures complete and have ready for delivery the certificates of all shares and debentures allotted or transferred, unless the conditions of issue of the shares or debentures otherwise provided and the Company shall otherwise comply with the requirements of the Companies (Share Capital and Debenture) Rules, 2014, and the Companies (Issue of Share Certificates) Rules, 1960, as amended from time to time and other applicable provisions (if any) of the Act.

10. If any certificate be worn out, defaced, torn or be otherwise mutilated or rendered useless from any cause whatsoever, or if there be no space on the back thereof for endorsement of transfers, then upon production thereof to the Directors they may order the same to be cancelled and may issue a new certificate in lieu thereof, and if any certificate be lost or destroyed, then upon proof thereof to the satisfaction of the Directors and on such indemnity as the Directors deem adequate being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate on payment, if any, of such sum not exceeding Re.1/- as the Directors may in their discretion determine. The Directors may in their discretion waive payment of such fee in the case of any certificate or certificates.

### INITIAL PUBLIC OFFERING

11. (1) Expiry Period: The Company, Sponsor and the Investors agree that the Company shall and the Shareholders agree to exercise all powers and rights (including voting rights and rights in respect of directors) so as to enable and procure on a Best Efforts Basis that the Company conducts a IPO of the Company before December 31, 2014 ("**Deadline Date**").

(2) The Company shall, and the Shareholders shall jointly on a best efforts basis assist in the completion of all compliances/necessary formalities to ensure the listing. The terms and conditions of such IPO including the size of the public offering, price of the Shares and related matters shall be as determined by the Board, which terms and conditions shall include those relating to (i) the appropriate time for listing having regard to the market conditions, and (ii) the terms and conditions of the IPO (including the number of Shares to be issued or offered at the IPO and the price at which any Shares may be sold or issued). In any IPO under this Article 11 by way of an offer for sale, of the total number of Shares issued or offered, the Shareholders shall (subject to Law), have the right (but not the obligation) to sell their Shares on a pro rata basis and the restrictions contained in Article 22 shall not apply to such offer for sale.

(3) The Board shall identify up to three Independent Investment Banks of international repute to obtain opinions on whether the market conditions are viable for the Company to initiate a IPO as contemplated herein at such time. In the event the Independent Bankers are of the opinion that the same is viable, then the Company, in its sole discretion, shall appoint a Merchant Banker to initiate the IPO. The Board shall, subject to the recommendations of the appointed Investment Banker, determine the size, valuation and other terms of the IPO (subject in all cases to any agreement among the Parties). Further, the Board shall determine the proportion of the IPO which shall be by way of a primary issue for the purposes of capitalization of the Company and the proportion which shall be by way of an offer for sale. The Investor, if, in order to enable the Company to make a IPO in accordance with applicable Law, the Company is required to issue such number of Equity Shares as will reduce the shareholding of the Sponsor to less than 51% of the Company, then the Investors and the Sponsor shall offer at least such number of their Equity Shares on a Pro Rata basis, in such IPO as will enable the Company to make and undertake the IPO.

(4) The Shareholders will take all such steps, and extend all such co-operation to each other and the lead managers, underwriters and others as may be required for the purpose of expeditiously making and completing the said IPO and listing in accordance with this Article 11.

(5) The Shareholders agree that the Investors are financial investors and not 'promoters' of the Company, and shall take all reasonable steps necessary and permitted under Law with the objective that, the Investors are not considered to be, or named as, a 'promoter' of the Company in any documents (including any prospectus or offer document) to be filed with any relevant Governmental Authority or otherwise prepared in connection with the IPO. Without prejudice to the above, the Shareholders agree that, even if the Investors are considered as a promoter of the Company under the applicable Law, the shares held by the Investor shall not be subjected to any lock-in or any other restriction on Transfer of any of its Shares, including by way of 'promoter's contribution', unless they are compulsorily required to do so by applicable Law. The Sponsor, in order to comply with the foregoing, agrees to offer the required number of its Shares held in the Company to comply with the lock-in requirement applicable to promoters of a company under applicable Law.

(6) In the event the Independent Banker opines and the Board determines that an IPO of the size of greater than USD\$ 125 million will not be achievable without, in addition to a fresh issue of shares, an "offer for sale" in such IPO by the Investors, then:

- (a) subsequent to determination of the prevailing market conditions at such time either the (i) Investors would participate in such IPO by including such number of its Shares held by it in the Company at the time of filing of the draft prospectus by the Company with SEBI, as is equivalent to up to 50% of the Shares to be included in the IPO by means of an offer for sale ("**Investor Offer for Sale**").

For the avoidance of doubt, it is clarified that other than as provided in Article 11(6) above, the Investors shall not be required to include their Shares held in the Company in the IPO, without their consent.

(7) The Company, the Investors and the Sponsor hereby agree that, subject to applicable Law, the Investor shall not be required to provide any representations or warranties, other than in respect of its title to the Shares and the Investors' capacity to Transfer the Shares, in respect of any Transfer of Shares pursuant to this Article 11.

## **REGISTRATION RIGHTS**

- 12.** (1) In accordance with Applicable Law, if any Shares or other securities of the Company are listed or proposed to be listed on one or more stock exchanges overseas/in the United States, then on any Investors' request, the Company shall take all such steps, do all such things, execute all such writings and make all regulatory applications and filings as may be required by Law for permitting or facilitating the unrestricted sale and distribution of the Shares on such exchanges, such that the Shares are freely transferable on such stock exchanges.

(2) If any Shares or other securities of the Company are listed or proposed to be listed on one or more stock exchanges in the United States, then, the Investors shall be entitled to demand that all or part of the Investor Shares be converted into American Depository Receipts or Global Depository Receipts ("**Full Fungibility**") as permissible under Indian Law. The Investors shall also be entitled to demand that the Company register the securities of the Company held by the Investors with appropriate and necessary regulatory authorities required in connection with such offering. The Investors may request such demand registration from time to time and the demand registration shall be at the expense of the Company, to the extent permissible under Law. The Investors shall also be entitled to registration on Form F-3 or S-3.

(3) The Company will, subject to applicable Law, take all steps in order to ensure that it bears any such expenses incurred in all such registrations and expenses toward any such offering.

(4) The Company shall not grant other registration rights, other than rights that are *pari passu* or subordinated to the rights of the Investors.

## **LIEN**

- 13.** (1) The company shall have a first and paramount lien—
- (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
  - (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:
- Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.
- (2) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
- (3) The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:
- Provided that no sale shall be made—
- (a) unless a sum in respect of which the lien exists is presently payable; or
  - (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
- 14.** (1) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
- (2) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (3) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
- 15.** (1) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (2) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

## **CALL ON SHARES**

- 16.** (1) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times: Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
- (2) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
- (3) A call may be revoked or postponed at the discretion of the Board.
- 17.** A call shall be deemed to have been made at the time when the resolution of the Board



authorising the call was passed and may be required to be paid by instalments.

18. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
19. (1) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.
- (2) The Board shall be at liberty to waive payment of any such interest wholly or in part.
20. (1) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- (2) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

The Board—

- (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
- (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance.

#### **TRANSFER AND TRANSMISSION OF SHARES**

21. The Company shall keep a book to be called the "Register of Transfers" and therein shall be fairly distinctly entered the particulars of every transfer or transmission of any share.

#### **RESTRICTIONS ON TRANSFER OF SHARES**

22. (1) Restrictions on the Investors: The Investor shall not Transfer or propose to Transfer any Shares or any right, title or interest therein or thereto, in violation of the provisions of these Articles. Any Transfer or attempt to Transfer Shares in violation of the preceding sentence shall be null and void *ab initio*, and the Company shall not register any such Transfer. Neither the Investors nor their Affiliates holding the Subscription Shares, shall Transfer or propose to Transfer in any manner whatsoever any such Shares, without the prior written consent of the Sponsor (which consent shall not be unreasonably withheld) for any period prior to December 31, 2014 ("**Lock Up Period**"). Provided that, after the expiry of the Lock up Period, the Investor or any member of the Investor Group holding the Shares, shall be entitled to freely Transfer the Shares and only along with the right to Transfer its entitlement to appoint an Investor Director in accordance with the provisions of Article 77(3), without prior consent of the Sponsor but in accordance with the Article 38 below. Provided further that, the Investors and/or any member of the Investors Group holding the Shares, shall not be entitled to Transfer such Shares held in the Company to any Prohibited Person at any time.
- (2) Restrictions on the Sponsor: The Sponsor shall not Transfer or propose to Transfer any Shares in the Company without the Investors' Consent if the result of such Transfer would be that the Sponsor holds less than 50.1% of the Share Capital on a Fully Diluted Basis at any time (including all Transfers after the Sponsor ceases to hold 50.1% of the Share

Capital on a Fully Diluted Basis) during period prior to December 31, 2014. For the avoidance of doubt it is clarified that without prejudice to the above, any sale or Transfer by the Sponsor shall also be subject to Article 38 (*Right of First Refusal*) and 39 (*Tag Along Right*) below. Any Transfer or attempt to Transfer Shares in violation of this Article 22(2) shall be null and void *ab initio*, and the Company shall not register any such Transfer.

(3) Transfer Procedure. Notwithstanding any other provision of these Articles, no Transfer may be made pursuant to this Article 22 and Articles 38 and 39 below unless (i) in the case of a transfer (a) by a Sponsor or (b) by the Investor to a Permitted Transferee, the transferee to whom the Shares are being transferred has executed a Deed of Adherence (ii) the Transfer complies in all respects with the other applicable provisions of these Articles and (iii) the Transfer complies in all respects with applicable Laws.

(4) Permitted Transfers for Shareholders: Notwithstanding the provisions of Article 22(1) and/or (2), following Transfers of Shares may be made at any time during the Lock-Up Period or thereafter:

- (a) any Transfer by the Investors to its Permitted Transferee or by the Sponsor to any of its Affiliates;
- (b) any Transfer of Shares by the Investors or Sponsor in a IPO;
- (c) any Transfer of Shares by Investor and/or their Permitted Transferees to a Permitted Transferee pursuant to a de-merger, merger or amalgamation or reorganisation amongst the Investors and/or their respective Permitted Transferees;

A Permitted Transferee or a transferee of the Shares from the Investors or Sponsor as described in clauses (a), (b) or (c) of this Article 22(4) is hereinafter referred to as a “**Approved Transferee**” of such Shareholder. Each Investor hereby agrees and undertakes that they shall, prior to a Permitted Transferee who holds Shares and has executed a Deed of Adherence to these Articles, ceasing to be a Permitted Transferee, acquire by itself or through any of its Permitted Transferees all but not less than all of the Shares held by such Permitted Transferees.

(5) Avoidance of Restrictions: The Parties agree that the Transfer restrictions in these Articles and in the Amended Charter Documents shall not be capable of being avoided by the holding of Shares indirectly through a company or other entity that can itself be sold in order to dispose of an interest in Shares free of such restrictions. Any Transfer, issuance or other disposal of any Equity Securities (or other interest) resulting in the existing shareholder of a Shareholder or of any company or any other entity having direct or indirect control over that Shareholder ceasing to be the only largest shareholder of such Shareholder or of the company or any other entity having direct or indirect control over such Shareholder shall be treated as being a Transfer of the Shares held by the Shareholder, and the provisions of these Articles that apply in respect of the Transfer of Shares shall thereupon apply in respect of the Shares so held.

(6) Notice of Transfer: At least 5 (five) Business Days prior to the permitted Transfer under Articles 22(4)(a) and 22(4)(c), the Shareholder or their respective Approved Transferees holding Shares intending to Transfer any of its Shares shall send a notice to the other Shareholders as the case may be stating the date on which the intended Transfer is to occur, the name of the transferee and the number and class of Shares involved. Within 5 (five) Business Days after registering any sale of Shares in its register of members, the Company shall send a notice to each Shareholder and/or their respective Approved Transferees holding Shares stating that such Transfer has taken place and setting forth the name of the transferor, the name of the transferee, number of Shares transferred and the terms of the Transfer.

(7) Notwithstanding anything contained herein, the Investors shall not be restricted in any manner from transferring their Shares pursuant to exercise of rights under Article 39 (“**Tag Along**”).

- 23.** Subject to the provisions of Section 56 of the Act or any other applicable provisions and these Articles, the shares in the Company shall be transferred by an instrument in writing in such form and by such procedure as may from time to time be prescribed by law. Subject thereto the Directors may prescribe a common form for instruments of transfer, which may from time to time be altered by the Directors.
- 24.** (1) An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee.  
(2) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.  
(3) For the purposes of Clause (2) above, notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.
- 25.** Every such instrument of transfer shall be signed both by the transferor and transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register of Members in respect thereof.
- 26.** The Company shall not register a transfer of shares in the Company unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupations, if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares, or if no such share certificate is in existence, along with the letter of allotment of the shares; Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by **or** on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit; Provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.
- 27.** Subject to the provisions of Section 58 of the Act, or any statutory modification thereof for the time being in force, and these Articles, the Directors may, at their absolute and uncontrolled discretion decline to register or acknowledge any transfer of shares and shall not be bound to give any reason for such refusal and in particular may so decline in respect of shares upon which the Company has a lien or whilst any moneys in respect of the shares desired to be transferred or any of them remain unpaid or unless the transferee is approved by the Directors and such refusal shall not be affected by the fact that the proposed transferee is already a member. The registration of a transfer shall be conclusive evidence of the approval by the Directors of the transferee.
- 28.** If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within two months from the date on which the instrument of transfer or intimation of transmission was lodged with the Company send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and thereupon the provisions of Section 58 of the Act or any statutory modification thereof for the time being in force shall apply.
- 29.** A transfer of a share in the Company of a deceased member thereof made by his legal representative shall, although the legal representative is not himself a member, be as valid as if he had been a member at the time of the execution of the instrument of transfer.

- 30.** The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all transfer deeds lying with the Company after such period as they may determine.
- 31.** The Directors shall have power on giving not less than seven days' previous notice by advertisement as required by Section 91 of the Act to close the transfer books of the Company for such period or periods of time not exceeding in the whole 45 days in each year but not exceeding 30 days at a time as to them may deem fit.
- 32.** The executors or administrators or a holder of a Succession Certificate in respect of the estate of a deceased member not being one of two or more joint holders shall be the only person whom the Company will be bound to recognise as having any title to the shares registered in the name of such member and the Company shall not be bound to recognise such executors or administrators unless such executors or administrators shall have first obtained Probate or Letters of Administration as the case maybe, from a duly Constituted Court in India, provided that in any case where the Directors in their absolute discretion think fit, the Directors may dispense with production of Probate or Letters of Administration or Succession Certificate and under the next Article 33, register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased member, as a member.
- 33.** Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy or insolvency of any member or by any lawful means other than by transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title as the Directors shall require either be registered as a member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as a member in respect of such shares; Provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so he shall not be freed from any liability in respect of such shares. This Clause is herein referred to as the Transmission Clause.
- 34.** Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.
- 35.** Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.
- 36.** A fee may be charged in respect of the transfer or transmission to the same party of any number of shares of any class or denomination subject to such maximum on any one transfer or transmission as may from time to time be fixed by the Directors. Such maximum may be a single fee payable on any one transfer or on transmission of any number of shares of one class or denomination or may be on a graduated scale varying with the number of shares of any one class comprised in one transfer or transmission or may be fixed in any other manner as the Directors may in their discretion determine.
- 37.** The Company shall incur no liability or responsibility whatever in consequence of their registering or giving effect to any transfer of shares made, or purporting to be made by any

apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.

### RIGHT OF FIRST REFUSAL

38. (1) Right of First Refusal: If the Sponsor or the Investors or any of their respective Affiliates holding the Shares (the “**Transferring Shareholder**”) wishes to Transfer any of their Shares in the Company or any part thereof to one or more independent third parties, in case the Sponsor is the Transferring Shareholder then the Investors on a Pro Rata basis shall have the shall have a right of first refusal (the “**Investor ROFR**”) to purchase the Offer Shares (as defined below); and in case any of the Investors is the Transferring Shareholder then the Sponsor shall have right of first refusal to purchase the Offer Shares (“**Sponsor ROFR**”) with respect to such Transfer(s) as provided in this Article 38 (collectively, the “**ROFR**”).

(2) Offer Notice: If the Transferring Shareholder proposes to Transfer all or any part of its Shares, the Transferring Shareholder shall deliver a written notice (the “**Offer Notice**”) to the Offeree, which notice shall state (i) the name of the Transferring Shareholder, (ii) the identity and address of proposed transferee (“**ROFR Proposed Transferee**”), (iii) the number of Shares proposed to be Transferred (the “**Offer Shares**”) to the ROFR Proposed Transferee, (iv) the price per Offer Share offered by the ROFR Proposed Transferee (“**Offer Price**”) and (v) a confirmation that the Offer Shares are free from any Encumbrance and that the Transferring Shareholder is the beneficial and recorded owner of the Offer Shares and has clear title to said shares. For the avoidance of doubt, the Sponsor and the Company shall ensure that the Investors have the latest available financial information and projections within a reasonable period of time from delivery of the Offer Notice by the Sponsor and the Investors have access, upon reasonable advance notice and during normal working hours on a Business Day, to the Company to assess the valuation of the Company at such time.

(3) Rights of Offeree: For a period of 30 (thirty) Business Days after receipt of a Offer Notice (the “**Offer Period**”), the Offerees shall have the right, exercisable by the Offerees through the delivery of an Offer Acceptance Notice as provided in Article 38(4), to offer to purchase in aggregate all, but not less than all, of the Offered Shares at a purchase price equal to the Offer Price per Share and upon the other terms and conditions set forth in the Offer Notice. The Offerees who are Investors or members of the Investor Group may assign to a Permitted Transferee of such Offeree its right to acquire the Offer Shares pursuant to this Article 38, provided that such Permitted Transferee complies with the provisions of Article 22(3) as if it were an Approved Transferee, including the provisions of Article 22(4) as if it were an Approved Transferee and the Transfer is in accordance with applicable Law.

(4) Exercise of Right and Transfer of Offered Shares: The ROFR of the Offerees under Article 38(1) above shall be exercisable by delivering written notice of such exercise (“**Offer Acceptance Notice**”) not later than 30 days from the date of receiving the Offer Notice. Each Offer Acceptance Notice shall include (i) a statement of the number of Shares held by such Offerees, and (ii) a statement that such Offerees are willing to acquire all, but not less than all of the Offered Shares at Offer Price. The Offer Notice shall be irrevocable and shall constitute a binding agreement by such Offeree to purchase the Offer Shares on the acceptance of the same by the Transferring Shareholder. In such case, upon delivery of the Offer Acceptance Notice, the Transferring Shareholder shall be bound to make a Transfer to the Offeree of the Offered Shares, and the Offeree shall be bound to acquire from the

Transferring Shareholder the Offered Shares, all in accordance with the Offer Acceptance Notice. Such Transfer of the Offered Shares from the Transferring Shareholder to the Offeree shall be made within 15 days from the date of the receipt by the Transferring Shareholder of the Offer Acceptance Notice or such later period as necessary to obtain any regulatory approvals (if necessary) for the Transfer. In the event, the Transfer does not take place, other than by reason of default by the Offeree, the Transfer restrictions set out in this Clause shall, unless the Shareholders otherwise agree, once again apply to any Transfer proposed to be made by the Offeror.

(5) Sale to ROFR Proposed Transferee: The failure of an Offeree to give an Offer Acceptance Notice within the Offer Period shall be deemed to be a waiver of such Offeree's ROFR. The Transferring Shareholder may, after expiry of the Offer Period, Transfer the Offered Shares to the ROFR Proposed Transferee at the Offer Price or at such price which is higher than the Offer Price to any third party within a period of 6 months from the expiry of such Offer Period.

(6) Warranties: No Shareholder and/or the Company shall be required to furnish any representations and warranties (save and except, the representations and warranties as to title and capacity to sell) in respect of any sale and Transfer under this Article 38.

### **TAG ALONG RIGHT AND DRAG ALONG RIGHT**

39. (1) Sale Notice: In the event the Sponsor proposes to sell such number of Shares such that the Sponsor's shareholding in the Company is reduced to or below 50.1% of the issued and paid up share capital of the Company on a Fully Diluted Basis, either directly or indirectly, to any Person ("**Proposed Transferee**"), and the Investors have declined to purchase the said shares in accordance with the Article 38(4) above, then the Sponsor shall address a written notice to the Investors specifying ("**Tag Notice**") (i) the number and details of the Shares proposed to be sold in such sale ("**Sale Shares**"); (ii) the identity of the Proposed Transferee; (iii) price to be paid per Share by the Proposed Transferee for the Sale Shares ("**Tag Price**") (iv) the amount if any paid in non-compete consideration or control premium ("**Tag Premium**") (v) the manner and time of payment of the consideration; (v) the rights which are proposed to granted/transferred to the Proposed Transferee; (vi) a representation that no consideration, tangible or intangible, other than that set out in the Tag Along Offer Notice, is being provided to the Sponsor (including without limitation, by way Tag Premium and (vii) a representation that the Proposed Transferee has been informed of the "tag along right" provided for in these Articles to the Investor and has agreed to purchase all Shares required to be purchased in accordance with the terms of this Article 39. Notwithstanding anything contained herein, the Tag Premium shall not exceed 25% of the Tag Share Price.

(2) Tag Along Right: The Investors shall have the right (the "**Tag-Along Right**") but not the obligation to require the Sponsor to ensure that the Proposed Transferee also purchases such number of shares held by the Investors which are equal the Sale Shares divided by the total number of shares held by the Sponsors multiplied by total number of shares held by tagging Investor, at the Tag Price and upon the same terms and conditions provided to the Sponsor by the Proposed Transferee.

(3) Tag Along Notice: In the event any Investor, elects to exercise the Tag Along Right, such Investor shall deliver a written notice of such election to the Sponsor (the "**Response Notice**") within 30 (Thirty) Business Days after the date of receipt of the Tag-along Offer Notice (the "**Tag-along Offer Period**") specifying that it has elected to exercise its Tag Along Right. If: (i) such Investor, does not deliver the Response Notice to the Sponsor; or (ii) such Investor expressly waives its Tag Along Right, prior to the expiry of the Tag-along Offer Period, the Sponsor shall be entitled to Transfer the Sale Shares to the Proposed Transferee mentioned in the Tag Notice on the same terms and conditions and for the same consideration as is specified in the Tag Notice. Such Transfer shall be completed within 90 days of the expiry of the Tag Along Offer Period, failing which the provisions of this Article

39 shall once again apply to proposed Transfer. The relevant Investor shall not be required to provide any representations and warranties in such sale other than as to their title to the Shares proposed to be sold by them.

(4) Non-Consummation: Where the Investor has elected to exercise its Tag-Along Right and the Proposed Transferee fails to purchase from such Investor the required shares as mentioned in Article 39(2) above, the Sponsor shall not make the proposed sale, and if purported to be made, such sale shall be void and the Company shall not register any such sale of Shares.

(5) Drag Along Right: Notwithstanding anything contained in these Articles in the event at any time the Sponsor seeks to sell at least such number of Shares such that the Shareholding of the Sponsor is reduced to less than 50.1% of the issued and paid up share capital of the Company to a third party ("**Proposed Purchaser**"), then the Sponsor shall have the right (but not the obligation) to require any Investor or the both Investors to sell their entire shareholding or part thereof, as the case maybe ("**Drag Shares**"), together with the Sponsor to the Proposed Purchaser ("**Drag Along Right**"). For the purposes of exercise of this right the Sponsor shall address a written notice to the Investor specifying ("**Drag Notice**") (i) the identity of the Proposed Purchaser; (ii) price to be paid per Share by the Proposed Purchaser for the Shares ("**Sponsor Drag Share Price**") (iii) the amount if any paid in non-compete consideration or control premium ("**Drag Premium**") and (iv) the manner and time of payment of the consideration. Upon receipt of a Drag Along Notice from the Sponsor the Investors shall be obliged to sell, transfer its Drag Shares, as set out in the Drag Along Notice and on the terms set out therein at the Drag Price (as defined below). The terms and conditions applicable to a sale of the Investors' Shares, save and except the Drag Price shall be the same as the terms and conditions applicable to the sale of the Sponsor's Shares.

As part of the Drag Along Right process under these Articles, the Sponsor shall in good faith attempt to make commercially reasonable efforts to ensure that the Investors do not remain Shareholders in the Company with Shares constituting 5% or less of the Share Capital pursuant to its exercise of the Drag Along Right.

For the Purposes of this Article 39(5), the Drag Price shall mean a price higher of the (i) Sponsor Drag Share Price; or (ii) the FMV Price (*defined below in Article 57(7)*) as determined by a Big Four firm; or (iii) a price equivalent to an IRR of 20.4% on the Investor Consideration for a period from the Completion Date to the date of sale of the Drag Shares.

Notwithstanding anything contained herein, the Drag Premium shall not exceed 25% of the Sponsor Drag Share Price.

## SHARE WARRANTS

40. The Company may, subject to Article 77(14) read with Article 78, issue share warrants subject to, and in accordance with, the provisions of the Act; and accordingly the Board may in its discretion, with respect to any share which is fully paid-up, on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the person signing the application, and on receiving the certificate (if any) of the share, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.

(1)The bearer of a share warrant may at any time deposit the warrant at the office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending, and voting and exercising the other privileges of a member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the register



of members as the holder of the shares included in the deposited warrant.

(2) Not more than one person shall be recognised as depositor of the share warrant.

(3) The Company shall, on two days' written notice, return the deposited share warrant to the depositor.

41. (1) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a meeting of the Company, or attend, or vote or exercise any other privilege of a member at a meeting of the Company, or be entitled to receive any notices from the Company.

(2) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the shares included in the warrant, and he shall be a member of the Company.

42. The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

#### **MODIFICATION OF CLASS RIGHTS**

43. If at any time the share capital by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Section 48 of the Act and Article 77(14) read with Article 78, and whether or not the Company is being wound up, be varied, modified, abrogated or dealt with, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the issued shares of that class and all the provisions contained in these Articles as to general meetings (including the provisions relating to quorum at such meetings) shall *mutatis mutandis* apply to every such meeting. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly prohibited by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

#### **JOINT-HOLDERS**

44. Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint-holders with benefits of survivorship subject to the following and other provisions contained in these Articles:

- (a) The Company shall be entitled to decline to register more than four persons as the joint-holders of any share.
- (b) The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.
- (c) On the death of any such joint-holder the survivor or survivors shall be the only person or persons recognised by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.
- (d) Any one of such joint-holders may give effectual receipts of any dividends or other moneys payable in respect of such share.
- (e) Only the person whose name stands first in the Register of Members as one of the joint-holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any documents served on or sent to such person shall be deemed to be served on all the joint-holders.

- (f) Any one of two or more joint-holders may vote at any meeting either personally or by attorney duly authorised under a power of attorney or by proxy in respect of such share as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such share shall alone be entitled to vote in respect thereof but the other or others of the joint-holders shall be entitled to be present at the meeting; Provided always that a joint-holder present at any meeting personally shall be entitled to vote in preference to a joint-holder present by an attorney duly authorised under power of attorney or by proxy although the name of such joint-holder present by an attorney or proxy stands first or higher in the register in respect of such shares. Several executors or administrators of a deceased member in whose (deceased member's) sole name any share stands shall for the purposes of this sub-clause be deemed joint-holders.

### DEMATERIALISATION OF SECURITIES

45. (1) For the purpose of this Article  
**'Beneficial Owner'** means a person or persons whose name is recorded as such with a depository;

**'SEBI'** means the Securities and Exchange Board of India;

**'Depository'** means a company formed and registered under the Companies Act, 1956, and which has been granted a certificate of registration to act as a depository under the Securities and Exchange Board of India Act, 1992; and

**'Security'** means such security as may be specified by SEBI from time to time.

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996.

(2) Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificate of Securities.

(3) If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.

(4) All securities held by a depository shall be dematerialised and be in fungible form.

(5) (a) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.

(b) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.

(c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.

(6) Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.

(7) Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

(8) Notwithstanding anything in the Act or these Articles, where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities

(9) Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a depository.

### **FORFEITURE OF SHARES**

46. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
47. The notice aforesaid shall—
- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
  - (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
48. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
49. (1) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.  
(2) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
50. (1) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.  
(2) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
51. (1) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
- (2) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(3) The transferee shall thereupon be registered as the holder of the share; and

(4) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

### **ALTERATION OF CAPITAL**

**52.** The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

**53.** Subject to the provisions of section 61, the company may, by ordinary resolution,—  
(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

**54.** Where shares are converted into stock,—

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

**55.** The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—

(a) its share capital;

(b) any capital redemption reserve account; or

(c) any share premium account.

**56.** Where it is proposed to increase the subscribed capital of the Company by allotment of further shares, then the Company shall, subject to Article 77 (14) read with Article 78, offer

such further shares to the persons who, at the date of the offer, are holders of the shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date, and such offer shall be made in accordance with the provisions of Section 62 of the Act. Provided that notwithstanding anything hereinabove contained, the further shares aforesaid may be offered to any persons, whether or not those persons include the persons who, at the date of the offer, are holders of the shares of the Company in any manner whatsoever:

If a Special Resolution to that effect is passed by the Company in General Meeting, or

Where no such Special Resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be), in favour of the proposal contained in the Resolution moved in that general meeting (including the casting vote, if any, of the Chairman) by members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members so entitled and voting and the Central Government is satisfied on an application made by the Board of Directors in that behalf, that the proposal is most beneficial to the Company.

### **BUY BACK**

57. (1) Notwithstanding any other provisions of these Articles, subject to the availability of funds, the Company will make an offer to buy back ("Buy Back Offer") the Shares upto the maximum permissible limit prescribed under Section 68 of the Act and Applicable Law. Each of the Investors will have the obligation to tender all of the Shares held by them in such Buy Back Offer and the Company will purchase in such Buy Back Offer the maximum number of Shares on a proportionate basis from the Investors as permitted under Applicable Law.

(2) Subject to Applicable Law the Company shall undertake such Buy Back Offer once every 12 months until all of the Shares of the Investors have been purchased by the Company. The first Buy Back Offer shall be opened between July – September 30, 2021. The Sponsor will not participate in any Buy Back Offer initiated by the Company.

(3) The Sponsor shall in good faith attempt to make commercially reasonable efforts to take steps to facilitate an exit for the Investors upon the expiry of 4 years from the date of Addendum to the Shareholders' Agreement, including but not limited to by way of considering options to purchase the Shares of the Investors at the latest available price of the Buy Back Offer.

(4) The Sponsor and the Investors covenant and undertake to vote in favour of the shareholder resolution for the Buy Back Offer.

(5) The Sponsor covenants and undertakes that it shall not participate and tender its Shares in any Buy Back Offer.

(6) To maximise profits and cash available with the Company on a standalone basis for the Buy Back Offer, the Company covenants and undertakes that from the date of execution of the Addendum to the Shareholders' Agreement it shall not declare any dividends unless agreed in writing with the Investors.

(7) For the purpose of determining the fair market value ("FMV") for the Buy Back Offer to be recommended to the board of directors of the Company ("Board"), the Company shall appoint two independent valuers ("Independent Valuers") at the cost of the Company. The Investors shall have the right to nominate the name of one of the Independent Valuers to be appointed by the Company. The two Independent Valuers shall jointly determine the FMV of the Buy Back Offer within a period of 30 (thirty) Business Days from the date of their appointment. The average of the values determined by the Independent Valuers shall be considered as the FMV.

The Independent Valuers shall determine the FMV in consultation with the management of the Company. The Company shall provide all necessary inputs to the Independent Valuers to arrive at the FMV including making available historical financials, MIS and the latest Board approved Annual Budget.

The Company and Investors agree that in order to ensure consistency in the valuation methodologies used for determining the FMV, they shall make all reasonable efforts to ensure continuity in the appointment or nomination of the Independent Valuers for each Buy Back Offer.

(8) In the event that any of the Investor fails or omits to offer all its Shares for sale in any of the Buy Back Offers, all rights in respect of both the Investors under the Addendum to the Shareholders Agreement shall cease to apply. The provisions under clause 57(9) herein below shall continue to remain in force.

(9) Notwithstanding any other provision in the Agreement and these Articles, as long as the Company and the Sponsor is not in breach under its obligations under this article, all rights accruing to the Investors under Article 77(2), Article 77(14), and Article 88 (Dividend Policy), shall stand suspended.

#### **GENERAL MEETINGS**

**58.** Subject to Article 77(14) read with Article 78, all general meetings other than annual general meeting shall be called extraordinary general meeting.

(1) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(2) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

#### **PROCEEDINGS AT GENERAL MEETINGS**

**59.** (1) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(2) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103 but subject to Article 77(14) and Article 78.

**60.** The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

**61.** If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

**62.** If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

#### **ADJOURNMENT OF MEETING**

**63.** (1) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(2) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(3) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(4) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

### **VOTING RIGHTS AND PROXY**

**64.** Subject to Section 47 of the Act read with Article 75, Article 77(14) and Article 78, and subject to any rights or restrictions for the time being attached to any class or classes of shares,—

(a) on a show of hands, every member present in person shall have one vote; and

(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

**65.** A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

**66.** (1) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(2) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

**67.** A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

**68.** Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

**69.** No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

**70.** (1) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(2) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

**71.** The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

**72.** An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.



73. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:
74. Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

### EXERCISE OF RIGHTS

75. Without prejudice to the other provisions of these Articles, the Sponsor agrees to exercise all powers and rights available to it (including voting rights and rights as and in respect of directors) in support of the provisions of these Articles.
76. From and after the Effective Date, each of the Shareholders shall each vote or cause to be voted all its Shares at any general or extraordinary general meeting of the Shareholders or matters required to be voted by way of a postal ballot or a show of hands (a “**Shareholders’ Meeting**”) or in any written consent executed in lieu of such a meeting of Shareholders (the “**Written Consent**”), and shall take all other actions necessary, to give effect to the provisions of these Articles and to ensure that the Charter Documents do not, at any time hereafter, conflict in any respect with the provisions of these Articles including, without limitation, in relation to voting to approve amendments and/or restatements of the Charter Documents, power to remove Directors that take actions inconsistent with these Articles, or failure to take actions required to carry out the intent and purposes of these Articles, to the extent of the rights and privileges of the Shareholders included in these Articles in so far and to the extent such inclusion is permissible in Law.

### CORPORATE GOVERNANCE

77. (1) Authority of the Board: Subject to the provisions of these Articles and the Act, the Board shall be responsible for the management, supervision, direction and control of the Company. The Board shall at all times consist of a maximum of 15 Directors. Without prejudice to the foregoing, and subject to the receipt of the Investors’ Consent as set out in Article 77(12) below, the Board shall be entitled to delegate powers to such persons and such policies that the Board may create to assist it in its business strategy and objectives.

(2)Nomination Rights: The Investors shall be jointly entitled to appoint/nominate and maintain in office one non-retiring Director (and to remove from office any director so appointed and to appoint another in the place of the Director so removed) on the Board of the Company (“**Investor Director**”). Provided however, such director appointed shall not be a person who owns, is employed with or serves as a director on the board of a Competitor or Prohibited Person. Each Investor Director appointed shall not reveal to any third party any Confidential Information and shall execute appropriate confidentiality agreements.

(3)In the event any or both Investors propose to sell such number of Shares, either directly or indirectly, to any Person, not being an Affiliate, in accordance with the terms of these Articles (“**Investor Transferee**”), then if such Investor Transferee holds Shares equivalent to 5% or more of the Share Capital, the such Investor Transferee shall be entitled to appoint the Investor Director.

(4)Composition of the Board: Subject to the provisions of Articles 77(2) and 77(3) above, the Shareholders shall each exercise their votes in relation to all the Shares held by each of them at any Shareholders Meeting called for the purpose of filling the positions on the Board or in any written consent of the Shareholders executed for such purpose to elect, and shall

take all other actions necessary to ensure the election to the Board of, Investor Director as mentioned in this Article 77. Notwithstanding anything contained herein to the contrary, the Investor Director would not be required to hold any qualification shares in the Company so as to be eligible for appointment as a Director.

(5)Board Committees: In the event a remuneration committee or an audit committee is formed by the Board, the Parties hereby agree that the right of the Investors to appoint one nominee to such committee shall be similar to the rights the Investor has to appoint their nominee to the Board as stated in Articles 77(2) and 77(3) above. The provisions of Article 77(11) below relating to quorum shall apply *mutatis mutandis* to meetings of a committee of the Board.

(6)Directors' Access: Each Director shall be entitled to examine the books, accounts and records of any Group Company and shall have free access, at all reasonable times and with prior written notice, to any and all properties and facilities of any Group Company. The Company shall and shall procure that each other Group Company provide such information relating to the business affairs and financial position of such Group Company as any Director may require. Any Director nominated by a Shareholder may provide such information to such Shareholder.

(7)Chairman: Mr S Ramadorai shall be the initial Chairman of the Board. The Chairman of the Board shall not have a casting vote. The Chairman shall preside at all meetings of the Board or any committee thereof where he is a member and at all Shareholders' meetings. In the absence of the Chairman for any reason whatsoever at a meeting of the Board or any committee thereof where he is a member, or any Shareholders' meeting, the Directors present shall choose one of the Directors appointed by the Sponsor to be the Chairman of the meeting.

(8)Alternate Director: Subject to the provisions of the Act, each Shareholder shall be entitled through its Director to nominate an alternate Director to act in accordance with the Act for any Director nominated by such Shareholder. The Board shall appoint the alternate Director so nominated. Each Shareholder shall have a right to withdraw its nominated alternate Director and nominate another in his place. The Shareholders shall take all such actions, including exercising their votes in relation to the Shares controlled by them, as may be required to cause any alternate Director nominated pursuant to this Article 77(8) to be duly elected or appointed.

(9)Frequency of Board Meetings: Meetings of the Board shall take place at least once in every 3 months.

(10) Notice: A meeting of the Board may be called by the Chairman of the Board or any Director giving notice in writing to the company secretary of the Company specifying the date, time and agenda for such meeting. The company secretary shall upon receipt of such notice give a copy of such notice to all Directors (including the Investor Director(s)) of such meeting, accompanied by a written agenda specifying in reasonable detail the business of such meeting. The Company shall ensure that notice of a meeting of the Board shall be accompanied by necessary background and other information and/or supporting documents pertaining to the business proposed to be transacted thereat. The Investor Director may then require that any discussion or vote on the any of the agenda be deferred to the next meeting of the Board. Not less than 7 (seven) days notice of a meeting of the Board shall be given to all Directors (including the Investor Director(s)); provided, however, that such notice period: (i) shall not apply in the case of an adjourned meeting pursuant to Article 77(10); and (ii) may be reduced with the written consent of the majority of the Directors (which majority shall include the Investor Director(s)) in case of urgency or an emergency or if special circumstances shall so warrant.

(11) Quorum: Subject to the provisions of the Act, all meetings of the Board shall

require a quorum of one third of its total strength or 3 (three) Directors whichever is higher, including 1 Sponsor Director. Provided however, subject to Article 57(9) any meeting by the Board shall require a quorum of one third of its total strength or 3 (three) Directors whichever is higher, including 1 Sponsor Director and the Investor Director with respect to any of the matters set forth in Article 78 (*Reserved Matters*). If such quorum is not present within one hour from the time appointed for the meeting, the meeting shall be adjourned to the same time and place not earlier than 10 (ten) Business Days but no later than 21 (twenty-one) Business Days thereafter as the Chairman may determine after prior consultation with at least 1 (one) Sponsor Director and the Investor Director. The quorum at such adjourned meeting of the Board shall, notwithstanding anything to the contrary contained hereinabove, be one-third of the total number of Directors or 3 (three) Directors, whichever shall be higher and all business transacted thereat, subject to Article 77(14) (*minority protection rights*) below, shall be regarded as having been validly transacted.

(12) Voting: At any Board meeting, each Director may exercise one vote. Except as provided in Article 77(14), the adoption of any resolution of the Board shall require the vote of a majority of the Directors present at a duly constituted meeting of the Board or in the case of a circular resolution signing by the majority of the Directors to whom the resolution is circulated. The Board shall not at any meeting adopt any resolution covering any matter that is not expressly specified on the agenda for such meeting unless a majority of the Directors present at such meeting vote in favour of such resolution.

(13) Telephonic Participation: If permitted by the Act, Directors may participate in Board meetings by telephone or video conferencing or any other means of contemporaneous communication, provided that each Director (including at least one Investor Director) must acknowledge his presence for the purpose of the meeting and any Director not doing so shall not be entitled to speak or vote at the meeting. A Director may not leave the meeting by disconnecting his telephone or other means of communication unless he has previously obtained the express consent of the Chairman of the meeting and a Director shall conclusively be presumed to have been present and formed part of the quorum at all times during the meeting unless he has previously obtained the express consent of the chairman of the meeting to leave the meeting as aforesaid. The Parties acknowledge, however, that as of the date hereof, the Act does not presently deem such participation to constitute presence "in person" for purposes of quorum.

(14) Minority Protection Rights: No action shall be taken by the Company at any Shareholders' Meeting (as defined below) or by the Board or any committee thereof or by resolution by circulation or otherwise with respect to any of the matters set forth in Article 78 (*Reserved Matters*) without the Investors' Consent.

If Investor Consent is required in relation to any Reserved Matters, the Board shall issue a notice in writing to the Investor specifying the Reserved Matter for consideration ("Reserved Matter Notice"). The Board shall ensure that all relevant information in relation to the applicable Reserved Matter is included with the Reserved Matter Notice so as to enable the Investor to make a decision on the concerned Reserved Matter. The Investor shall be required to provide the Investor Consent or decline Investor Consent by delivering a written notice ("Reply Notice") of the same to the Board within 7 days from the date of receipt of the Reserved Matter Notice ("Reply Period"). If the Board does not receive the Reply Notice within the Reply Period, then the Investor shall have deemed to have granted consent for such Reserved Matter.

Where the Company appoints or nominates any directors on the board of directors of any subsidiary, such directors shall in all circumstances vote as a group and in accordance with the instructions of the Board of the Company, subject to Applicable Law. Such instructions shall, if it relates to a matter that qualifies as a Reserved Matter, require the Investors' Consent. The directors of such subsidiary appointed or nominated by the Company (if the matter is to be considered at the board level of the subsidiary), or the Company (if the

matter is to be considered at the shareholder level of the subsidiary), shall vote in relation to such resolution relating to a Reserved Matter in the manner resolved by the Board of the Company as above.

The Shareholders shall take all necessary steps to cause the directors appointed or nominated by them on the Board or on the board of directors of the Subsidiaries to vote in such manner so as to give effect to the provisions of this Article 77(14).

If a director appointed or nominated by the Company on the board of directors of a subsidiary fails to vote in accordance with the instructions of the Board of the Company in accordance with Article 77(14), the Company shall remove such director, and the Shareholders shall forthwith cause the Company to remove such director, from the board of the subsidiary. In addition, if the directors of a subsidiary who are nominated or appointed by the Company are unable for whatever reason to comply with the instructions of the Company, the Company will in accordance with applicable Law cause such matter to be referred to the shareholders of the subsidiary for their vote and the Company shall exercise its voting rights as a shareholder in accordance with the instructions of the Board of the Company, such instructions to be as per the resolutions of the Board passed in accordance with Article 77(14).

(15) Expenses: Until an IPO of the Company has been effected in terms of these Articles or unless mutually agreed in writing between the Shareholders, the Company shall pay to the Investor Director expenses consistent with the then applicable policy for payment to non-executive directors of the Company for attendance of shareholder, board, committee and other meetings .

#### **RESERVED MATTERS**

- 78.** (1) Amendments to the By-laws and Charter Documents of the Company;
- (2) Approval of the annual Business Plan and any material amendments thereto or any deviations from the aggregate and consolidated revenue and capital expenditure set out in a relevant business plan in excess of 25% in respect of each approved item;
- (3) Any acquisition, creation of subsidiaries, merger, Joint Venture, association, partnership or other business combination with equity participation with any party;
- (4) Disposition of any asset or security (save and except in relation to treasury transactions) in a transaction exceeding USD 1 million of value (or its equivalent in other currencies);
- (5) Commencement of any business which is not in the ordinary course of business or ceasing or incurring a material change in the Business or part thereof;
- (6) Save and except in relation to a IPO as agreed between the Parties change in capital structure of the Company, including any issuance, redemption, cancellation or purchase, reduction, buy-back, issue or sale of any equity or equity-linked securities (including preferred shares, convertible debentures, options, stock-options, warrants or any other equity-linked instrument), or any change of rights in any securities issued by the Company (except an issue of shares under the currently existing employee stock option plan or shares issued pursuant to any financing inter se between the Company and its subsidiaries within the aggregate and consolidated revenue and capital expenditure limits set out in a relevant annual Business Plan approved by the Investors) and any transaction following which the Company no longer owns 100% of its Subsidiaries;
- (7) Any change in the valuation, pricing and size of the IPO as set out in the Agreement;

(8) Adoption of / any change to the dividend distribution policy of the Company other than as set out in Article 88 (*Dividend Policy*) in the Agreement;

(9) Approval of a merger, consolidation, liquidation, winding-up, dissolution, restructuring, bankruptcy, reorganisation or assignment to its creditors of the Company or any of its subsidiaries or any other event involving a change of control at the Company;

(10) Incurring any Indebtedness or making any investment, extending any Indebtedness to any other person (or entering into any transaction having a similar effect) outside the ordinary course of business of the Company or for an amount in excess of USD\$ 5 million; or granting any Encumbrances on any asset of the Company (including securities), or giving any guarantees, outside the ordinary course of business of the Company or in connection with any Indebtedness for an amount in excess of USD\$5 million; provided however that nothing in this item shall apply to any to any financing inter se between the Company and its subsidiaries within the aggregate and consolidated revenue and capital expenditure limits set out in a relevant annual Business Plan which has been approved hereunder, guarantees provided by the Company to third parties such as banks, vendors and third party customers on behalf of its subsidiaries and normal treasury transactions of the Company and its subsidiaries;

(11) Any change to the auditors (if the accountant is changed to a firm outside the Big Four public accounting firms) or the accounting basis or accounting principles of the Company unless such change is mandated by Law.

## **BOARD OF DIRECTORS**

**79.** The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them.

(1) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(2) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) in connection with the business of the company.

**80.** The Board may pay all expenses incurred in getting up and registering the company.

**81.** The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

**82.** All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

**83.** Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

**84.** (1) Subject to the provisions of section 149, the Board shall have power at any time, and

from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(2) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

#### **INCREASE OR REDUCTION IN THE NUMBER OF DIRECTORS**

85. Subject to the provisions of the Act and these Articles, the Company may by ordinary resolution from time to time increase or reduce the number of Directors and alter their qualification.

#### **CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

86. Subject to the provisions of the Act,—

(a) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(b) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

87. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

#### **DIVIDEND POLICY**

88. (1) Dividend Policy: The Board shall distribute to the Shareholders in accordance with their Pro Rata Shareholding, the distributable profits of the Company generated by the operations of the business of the Company, consistent with prudent financial management and in accordance with applicable Law, the annual Business Plan, and the Taxation requirements, working capital, banking covenants and operational requirements of the Company and the terms of any loan agreements under which the Company has borrowed amounts (including the payment of interest and principal due on any third party debt prior to the payment of any distributions to the Shareholders), provided however that unless otherwise determined by the Board and subject to the foregoing and Article 57(6) , the Company shall on a Best Efforts Basis endeavour to declare a dividend of a minimum of 25% of net income or distributable profits for every fiscal year. The Investor shall be entitled to dividend on a *pro rata* basis, for such period for which Subscription Shares are held by the Investors in the Financial Year ending March 31, 2011.

(2) Proportionate Distribution: The dividends declared by the Company pursuant to Article 88(1) shall be distributed to the Shareholders in the proportion of their shareholding in the Company, in accordance with applicable Law.

89. Where capital is paid up in advance of calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to participate in profits.

90. The Company in general meeting may, subject to Section 123 of the Act, declare a dividend to be paid to the members according to their respective rights and interests in the profits and subject to the provisions of the Act, may fix the time for payment. When a dividend has been so declared, the warrant in respect thereof shall be posted within forty-two days from the date of the declaration to the shareholders entitled to the payment of the same.
91. No larger dividend shall be declared than is recommended by the Directors but the Company in general meeting may declare a smaller dividend. No dividend shall be payable except out of the profits of the year or any other undistributed profits or otherwise than in accordance with the provisions of Sections 123, and 127 of the Act and no dividend shall carry interest as against the Company. The declarations of the Directors as to the amount of the net profits of the Company shall be conclusive.
92. Subject to the provisions of the Act, the Directors may, from time to time, pay to the members such interim dividends as in their judgment the position of the Company justifies.
93. Subject to the provisions of the Act, the Directors may retain the dividends payable upon shares in respect of which any person is, under Article 32 hereof, entitled to become a member or which any person under that Article is entitled to transfer until such person shall become a member in respect of such shares or shall duly transfer the same.
94. Subject to the provisions of the Act no member shall be entitled to receive payment of any interest or dividend in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares otherwise howsoever either alone or jointly with any other person or persons; and the Directors may deduct from the interest or dividend payable to any member all sums of money so due from him to the Company.
95. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.
96. Unless otherwise directed any dividend may be paid by cheque or warrant sent through post to the registered address of the member or person entitled, or in case of joint-holders to that one of them first named in the register in respect of the joint-holding. Every such cheque shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant lost in transmission or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent or improper recovery thereof by any other means.
97. Any General Meeting declaring a dividend may make a call on the members for such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the members be set off against the calls.

#### **BORROWING POWERS**

98. Subject to the provisions of the Act, Article 77(14) read with Article 78 or any other applicable provision of these Articles and without prejudice to the other powers conferred by these Articles the Directors shall have the power from time to time at their discretion to borrow any sum or sums of money for the purposes of the Company provided that the total amount borrowed at any time together with the money already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company, its securities premium and its free reserves that is to say reserves not set apart for any specific purpose.



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99. Subject to the provisions of the Act and these Articles, the Directors may raise and secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of bonds, perpetual or redeemable debentures or debenture-stock, or any mortgage or charge or other security on the undertaking or the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.
100. Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.
101. Debentures, debenture-stock, bonds or other securities may be, subject to Article 12(3) and Article 77(14) read with Article 78 made assignable free from any equities between the Company and the person to whom the same may be issued.
102. Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, drawings, allotment of shares, attending and voting at general meetings, appointment of Directors and otherwise; Provided that an option to call for or be allotted shares of the Company or a privilege of voting at general meetings of the Company otherwise than when any interest is in arrears shall not be attached to any such bonds, debentures, debenture-stock or other securities except with the sanction of the Company in general meeting.
103. If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed or if permitted by the Act may by instrument under the Seal authorise the person in whose favour such mortgage or security is executed or any other person in trust for him to make calls on the members in respect of such uncalled capital and the provisions hereinbefore contained in regard to calls shall *mutatis mutandis* apply to calls made under such authority and such authority may be made exercisable either conditionally or unconditionally and either presently or contingently and either to the exclusion of the Directors' power or otherwise and shall be assignable if expressed so to be.
104. Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company the Directors may execute or use to be executed any mortgage charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.

## COVENANTS

105. (1) Annual Budget: The Company shall prepare a proposed annual budget ("**Annual Budget**"), which shall be submitted to all Directors (including the Investor Director) not less than 2 (two) months prior to the commencement of each Financial Year. The Board shall adopt the Annual Budget within 1 (one) month of the commencement of the relevant Financial Year, and for the month of April, the budget for the Company shall be computed on a pro rata basis with the Business Plan for that Financial Year.

(2) Financial Records: The Company shall allow the Directors (including the Investor Director) and the authorised representatives of the Investors the right during normal business hours to inspect its books and accounting records, to make extracts and copies therefrom at its own expense and to have full access to all of the Company's property and assets.

(3) Books and Records: The Company shall, keep proper, complete and accurate books of account in Rupees in accordance with Indian generally accepted accounting principles (“**Indian GAAP**”).

(4) Use of proceeds: The Company hereby agrees, undertakes and confirms that the Company shall use the Investor Consideration only for the following purposes:

- (a) Organic growth of the Company;
- (b) Inorganic growth of the Company;\_
- (c) General corporate purposes;
- (d) Investments in accordance with the investment policy of the Company and;\_
- (e) Investments in accordance with Applicable Law.\_

(5) Insurance: The Company shall ensure that each Group Company maintain adequate insurance cover and Directors and officers liability insurance policies in a sufficient amount and with such coverage as are provided by the Sponsor to its Directors and officers. Such policies shall be sufficient to cover liabilities to which the Directors and officers of the concerned Group Company may reasonably be considered at risk in the course of their respective business.

(6) Information covenants: The Company shall provide to each of the Directors (including the Investor Director) and to the Investors, the following information and related rights:

- (a) Audited consolidated annual financial statements (including management reports and all other related documents, if any, which form part of the documents submitted to the Board), seven (7) days prior to the date of the relevant Board meeting in which such statements will be presented to the Board. The audited consolidated annual financial statement shall contain the information as agreed between the Parties.
- (b) Consolidated quarterly financial statements (including management reports and all other related documents, if any, which form part of the documents submitted to the Board), seven (7) days prior to the date of the relevant Board meeting in which such statements will be presented to the Board and a Board meeting shall take place within 45 days from the end of each quarter. The consolidated quarterly financial statement shall contain the information as agreed between the Parties.
- (c) Consolidated monthly financial statements (including management reports and all other related documents, if any, which form part of the documents submitted to the Key Executives and the Directors), not later than 30 days from the end of the calendar month that the reports relate to. The consolidated monthly financial statement shall contain the information as agreed between the Parties.
- (d) A quarterly legal compliance report, seven (7) days prior to the date of the relevant Board meeting in which such report will be presented to the Board. The legal compliance report shall contain the information as agreed between the Parties.
- (e) Annual business plan (including management reports and all other related documents, if any, which form part of the documents submitted to the Board), seven (7) days prior to the date of the relevant Board meeting in which such plan will be presented to the Board. The annual business plan shall be in the format as agreed between the Parties.
- (f) An annual legal compliance certificate in relation to debt covenants of the Company, seven (7) days prior to the date of the relevant Board meeting in which such certificate will be presented to the Board.
- (g) Any information provided to any Shareholder at the same time such information is

provided to such Person;

- (h) Lists of the Shareholders and option holders at the end of the financial year showing the share and option holdings of each (seven (7) days prior to the date of the relevant Board meeting in which such list will be presented to the Board) and a list of share transfers at the end of each quarter (seven (7) days prior to the date of the relevant Board meeting in which such list will be presented to the Board).
- (i) notification of any resignation or removal of any Key Personnel (pending litigation or investigations, any material modification to, or breach of, any material contract, any event of default under any agreement in respect of borrowed money or any other event that could reasonably have a material adverse effect on the business, operations or finances of the Company or its major subsidiaries as soon as practicable following discovery of such event.
- (j) access to senior management (including review of any relevant documents as may be reasonably requested by the Investor) of the Company for periodic updates in consultation with the Chairman and Managing Director of the Company.
- (k) Entering into any non-arms Length related party transaction (the term “arm’s length” and “**related party**” as defined or understood under applicable Indian GAAP).
- (l) No later than the 30<sup>th</sup> day of the commencement of each Financial Year, the Company shall provide each of the Directors with the list of dates on which the meetings of the Board are proposed to be scheduled for that financial year. Any change in this schedule shall be notified to each of the Directors (including the Investor Director) at least 7 Business Days in advance of the scheduled meeting.
- (m) In addition to the information to be provided in Article 105(6)(a) to 105 (6)(l) above, the Company will work with the Board to improve the Company’s MIS in accordance with international best practices in advance of the IPO (for example customer level profitability), and in this regard if such information is not readily available to the Company or not capable of presentation in the form requested by any of the Directors (including the Investor Director), the Company shall use its Best Efforts to procure/collate/compile the information according to the reasonable request of any of the Directors (including the Investor Director).

(7) Consent: The Company and the Sponsor hereby unconditionally and irrevocably consent to the Investors and/or any member of the Investor Group at any time and from time to time making investments in or entering into collaboration or other agreements or arrangements with persons or companies in India engaged in the same or a similar business as that of the business of the Company. The Company and the Sponsor shall simultaneously with the execution of the Agreement, and thereafter the Company and the Sponsor shall from time to time at the request of the Investor, certify that they do not object to such investment, agreement or arrangement with such persons and in such form as may be requested by the Investor. However, any person being an Investor Director at any time, shall not hold directorship in any Competitor and 3 years post the termination thereof.

(8) FDI Activities: The Company agrees to ensure that all the activities, business or projects that the Company and/or any other Group Company is currently engaged in or that the Company and/or any other Group Company shall undertake in the future shall at all times in compliance with the norms prescribed for foreign investment in Indian companies under the “automatic route”.

(9) No More Favourable Rights: Unless the Investors agree otherwise, the Company and the Sponsor shall, not provide any Person with rights in relation to the Company or any Group Company which are more favorable than those provided to the Investor hereunder

("Favourable Rights"); provided that in the event of issue or grant of Favourable Rights to any Person with the Investors' Consent, the Investor shall also become entitled to such Favourable Rights.

(10) Related Party: The Company shall enter into all transactions with a Related Person on an arms-length terms.

(11) The Company shall promptly obtain all required material approvals for the conduct of its Business from the relevant Governmental Authorities and shall comply with the terms of all such approvals.

(12) The Company shall deliver copies of such forms, reports and documents to the Investors on Completion. The Company shall ensure that all forms, reports and documents to be filed and / or delivered under this Article 105 are in the prescribed format, are accurately completed and are accompanied by all the required documents.

### **RETIREMENT AND ROTATION OF DIRECTOR**

**106.** (1) Not less than two-thirds of the total number of Directors of the Company shall be persons whose periods of office is liable to determination by retirement of Directors by rotation and save and otherwise expressly provided in the Act and these Articles, be appointed by the Company in General Meeting.

(2) The remaining directors shall be appointed in accordance with the provisions of these Articles and the Act.

**107.** At the Annual General Meeting in each year one-third of the Directors for the time being as are liable to retire by rotation or, if their number is not three or multiple of three, then the number nearest to one-third shall retire from office.

**108.** Subject to the provisions of the Act and these Articles, the Directors to retire by rotation under the foregoing Article at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. Subject to the provisions of the Act, a retiring Director shall retain office until the dissolution of the meeting at which his re-appointment is decided or his successor is appointed.

**109.** Subject to the provisions of the Act and these Articles, a retiring Director shall be eligible for re-appointment.

**110.** Subject to the applicable provisions (if any) of the Act and these Articles, the Company at the Annual General Meeting at which a Director retires in manner aforesaid may fill up the vacated office by electing the retiring Director or one other person thereto.

**111.** (1) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place; or if that day is a public holiday till the next succeeding day which is not a public holiday, at the same time and place.

(2) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy the retiring Director shall be deemed to have been re-appointed at the adjourned meeting, unless :

- (a) at that meeting or at the previous meeting a resolution for the re appointment of such Director has been put to the meeting and lost;
- (b) the retiring director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so re-appointed.
- (c) he is not qualified or is disqualified for appointment;

- (d) a resolution, whether special or Ordinary, is required for the appointment or re-appointment in virtue of any provisions of the Act;
- (e) Article 113 or Section 162 of the Act is applicable to the case.

**112.** (1) Subject to the provisions of the Act and these Articles any person who is not a retiring Director shall be eligible for appointment to the office of Director at any General Meeting if he or some member intending to propose him has at least fourteen clear days before the meeting left at the office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidature for that office as the case may be, alongwith a deposit of five hundred rupees which shall be refunded to such person or, as the case may be, to such member, if the person succeeds in getting elected as a Director

(2) Every person (other than a Director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 160 signifying his candidature for the office of a Director) proposed as a candidate for the office of a Director shall sign and file with the Company, his consent in writing to act as a Director, if appointed.

(3) A person other than -

- (A) a Director re-appointed after retirement by rotation or immediately on the expiry of his term of office, or
- (B) an additional or alternate Director, or a person filling a casual vacancy in the office of a Director under Section 175 of the Act appointed as a Director or re-appointed as an additional or alternate Director, immediately on the expiry of his term of office or
- (C) a person named as a Director of the Company under its Articles as first registered shall not act as a Director of the Company unless he has within thirty days of his appointment, signed and filed with the Registrar his consent in writing to act as such Director.

**113.** At a General Meeting of the Company, a motion shall not be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it. A resolution moved in contravention of this Articles shall be void whether or not objection was taken at the time to its being so moved; Provided that where a resolution so moved is passed no provision for the automatic re-appointment of retiring Directors by virtue of these Articles or the Act in default of another appointment shall apply.

### **REMOVAL OF DIRECTORS**

**114.** (1) The Company may (subject to the provisions of Section 169 and other applicable provisions of the Act and these Articles) remove any director before the expiry of his period of office.

- (2) Special notice as provided by Section 115 of the Act shall be given of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed
- (3) On receipt of notice of a resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.
- (4) Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding a reasonable length) and requests their notification to members of the Company, the Company shall, unless the representations are received by it too late for it to do so (a) in the notice of the resolution given to members of the Company state the fact of the representations having been made, and be send a copy of the representations to every member of the Company, and if a copy of the representations is not sent as aforesaid because they were received too late or

because of the Company's default, the Director may (without prejudice to his right to be heard orally) require that the representations shall be read out at the meeting provided that copies of the representations need not be sent or read out at the meeting, on the application either of the Company or of any other person who claims to be aggrieved, the Court is satisfied that the rights conferred by this Clause are being abused to secure needless publicity for defamatory matter.

- (5) A vacancy created by the removal of a Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board in pursuance of the provisions of these Articles or Section 175 of the Act be filled by the appointment of another Director in his stead by the meeting at which he is removed; Provided special notice of the intended appointment has been given under Clause (2) hereof. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid.
- (6) If the vacancy is not filled under Clause (5) hereof it may be filled as a casual vacancy in accordance with the provisions of these Articles or Section 175 of the Act, and all the provisions of that Section shall apply accordingly.
- (7) A Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors.
- (8) Nothing contained in this Article shall be taken :
  - (a) as depriving a person removed thereunder of any compensation or damages payable to him in respect of the termination of his appointment as Director or of any appointment terminating with that as a Director; or
  - (b) as derogating from any power to remove a Director which may exist apart from this Article.

#### **PROCEEDINGS OF BOARD OF DIRECTORS**

**115.** (1) A resolution passed by circular, without a meeting of the Board or a Committee of the Board appointed under Article 77 shall subject to the provisions of Clause (2) hereof and the Act be as valid and effectual as a resolution duly passed at a meeting of the Directors or of a Committee duly called and held.

(2) A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, if the resolution has been circulated in draft together with the necessary papers, if any, to all the Directors or to all the members of the Committee then in India (not being less in number than the quorum for a meeting of the Board or Committee as the case may be), and to all other Directors or members of the Committee at their usual address in India and has been approved by such of the Directors or members of the Committee as are then in India or by a majority of such of them as are entitled to vote on the resolution.

**116.** Subject to the provisions of the Act and these Articles, all acts done by any meeting of the Directors or by a Committee of Directors or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or person acting as aforesaid, or that they or any of them were or was disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.

**117.** The Company shall use minutes of the meetings of the Board of Directors and of Committees of the Board to be duly entered in a book or books provided for the purpose in accordance with the relevant provisions of Section 118 of the Act. The minutes shall contain a fair and correct summary of the proceedings at the meeting including the following:

- (i) the names of the Directors present at the meetings of the Board of Directors or of any Committee of the Board;
- (ii) all orders made by the Board of Directors or Committees of the Board and all appointments of officers and Committees of Directors;
- (iii) all resolutions and proceedings of meetings of the Board of Directors and the Committees of the Board;

- (iv) in the case of each resolution passed at a meeting of the Board of Directors or Committees of the Board, the names of the Directors, if any, dissenting from or not concurring in the resolution

**118.** All such minutes shall be signed by the Chairman of the meeting as recorded, or by the person who shall preside as Chairman at the next succeeding meeting and all minutes purported to be so signed shall for all purposes whatsoever be prima facie evidence of the actual passing of the resolutions recorded and the actual and regular transaction or occurrence of the proceedings so recorded and of the regularity of the meeting at which the same shall appear to have taken place.

### **POWERS OF DIRECTORS**

**119.** (1) Subject to the provisions of the Act and these Articles, the Board of Directors of the Company shall be entitled to exercise all such powers, and to do all such acts and things, as the Company is authorised to exercise and do; Provided that the Board shall not exercise any power to do any act or things which is directed or required, whether by the Act or any other Act or by the Memorandum or these Articles or otherwise, to be exercised or done by the Company in General Meeting; Provided further that in exercising any such power or doing any such act or thing the Board shall be subject to the provisions contained in that behalf in the Act or in the Memorandum or in these Articles or in any regulations not inconsistent therewith and duly made thereunder including regulations made by the Company in General Meeting.

(2) No regulations made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

**120.** The Board of Directors shall not except with the consent of the Company in general meeting:

- (a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole, or substantially the whole, of any such undertaking;
- (b) remit, or give time for the repayment of, any debt due by a Director;
- (c) invest otherwise than in trust securities, the amount of compensation received by the Company in respect of the compulsory acquisition of any such undertaking as is referred to in sub-clause (a) above, or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time;
- (d) borrow moneys in excess of the limits provided in Article 98.
- (e) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed fifty thousand rupees or five per cent of its average net profits as determined in accordance with the Act during the three financial years immediately preceding whichever is greater.

**121.** (1) Without derogating from the powers vested in the Board of Directors under these Articles the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at meetings of the Board :

- (a) the power to make calls on shareholders in respect of money unpaid on their shares;
- (b) the power to issue debentures;
- (c) the power to borrow moneys otherwise than on debentures;
- (d) the power to invest the funds of the Company;
- (e) the power to make loans;

Provided that the Board may by resolution passed at a meeting delegate to any Committee of Directors or the Managing Director or any other principal officers of the Company or to a principal officer of any of its branch offices, the powers specified in (c), (d) and (e) of this clause to the extent specified below on such conditions as the Board may prescribe.

(2) Every resolution delegating the power referred to in Clause (1) (c) shall specify the total

amount outstanding at any one time upto which moneys may be borrowed by the delegates; Provided, however, that where the Company has an arrangement with its bankers for the borrowing of moneys by way of overdraft, cash credit or otherwise the actual day to day operation of the overdraft, cash credit or other accounts by means of which the arrangement is made is availed of shall not require the sanction of the Board.

(3) Every resolution delegating the power referred to in Clause (1)(d) shall specify the total amount upto which the funds may be invested and the nature of the investments which may be made by the delegates.

(4) Every resolution delegating the power referred to in Clause (1)(e) shall specify the total amount upto which loans may be made by the delegates, the purposes for which the loans may be made, and the maximum amount of loans which may be made for each such purpose in individual cases.

(5) Nothing in this Article contained shall be deemed to affect the right of the Company in General Meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in Clause (1) above.

### **CAPITALISATION OF PROFITS**

**122.** (1) Subject to Article 77(14) read with Article 78, any general meeting may, upon the recommendation of the Board, resolve that any amounts standing to the credit of the share premium account or the Capital Redemption Reserve Account or any moneys, investments or other assets forming part of the undivided profits (including profits or surplus moneys arising from the realisation and, where permitted by law, from the appreciation in value of any capital assets of the Company) standing to the credit of the General Reserve, Reserve or any Reserve Fund or any other Fund of the Company or in the hands of the Company and available for dividend be capitalised

(a) by the issue and distribution as fully paid up, of shares and if and to the extent permitted by the Act, of debentures, debenture stock, bonds or other obligations of the Company, or

(b) by crediting shares of the Company which may have been issued and are not fully paid up, with the whole or any part of the sum remaining unpaid thereon.

Provided that any amounts standing to the credit of the share premium account or the Capital Redemption Reserve Account shall be applied only in crediting the payment of capital on shares of the Company to be issued to members (as herein provided) as fully paid bonus shares.

(2) Such issue and distribution under (1)(a) above and such payment to credit to unpaid share capital under (1)(b) above shall be made to, among and in favour of the members or any class of them or any of them entitled thereto and in accordance with their respective rights and interests and in proportion to the amount of capital paid up on the shares held by them respectively in respect of which such distribution under (1)(a) or payment under (1)(b) above shall be made on the footing that such members become entitled thereto as capital.

(3) The Directors shall give effect to any such resolution and apply such portion of the profits, General Reserve, Reserve or Reserve Fund or any other Fund or account as aforesaid as may be required for the purpose of making payment in full for the shares, debentures or debenture-stocks, bonds or other obligations of the Company so distributed under (1)(a) above or (as the case may be) for the purpose of paying, in whole or in part, the amount remaining unpaid on the shares which may have been issued and are not fully paid up under (1)(b) above provided that no such distribution or payment shall be made unless recommended by the Directors and if so recommended such distribution and payment shall be accepted by such members as aforesaid in full satisfaction of their interest in the said capitalised sum.

(4) For the purpose of giving effect to any such resolution the Directors may settle any difficulty which may arise in regard to the distribution or payment as aforesaid as they think expedient and in particular they may issue fractional certificates and may fix the value for distribution of any specific assets and may determine that cash payments be made to any members on the footing of the value so fixed and may vest any such



cash, shares, debentures, debenture-stock, bonds or other obligations in trustees upon such trusts for the persons entitled thereto as may seem expedient to the Directors and generally may make such arrangement, for the acceptance, allotment and sale of such shares, debentures, debenture-stock, bonds or other obligations and fractional certificates or otherwise as they may think fit.

- (5) When deemed requisite a proper contract shall be filed in accordance with the Act and the Board may appoint any person to sign such contract on behalf of the members entitled as aforesaid and such appointment shall be effective.

123. Subject to the provisions of the Act and these Articles in cases where some of the shares of the Company are fully paid and others are partly paid, only such capitalisation may be effected by the distribution of further shares in respect of the fully paid shares, and by crediting the partly paid shares with the whole or part of the unpaid liability thereon but so that as between the holders of the fully paid shares, and the partly paid shares the sums so applied in the payment of such further shares and in the extinguishment or diminution of the liability on the partly paid shares shall be so applied *pro rata* in proportion to the amount then already paid or credited as paid on the existing fully paid and partly paid shares respectively.

#### **INTEREST OUT OF CAPITAL**

124. Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings, or the provision of any plant, which cannot be made profitable for a lengthy period, the Company may pay interest on so much of that share capital, as is for the time being paid up, for the period, at the rate, and subject to the conditions and restrictions provided by the Act, and may charge the same to capital as part of the cost of construction of the work or building or the provision of plant.

#### **AUTHENTICATION OF DOCUMENTS**

125. Save as otherwise expressly provided in the Act or these Articles, a document or proceeding requiring authentication by the Company may be signed by a Director or an authorised officer of the Company and need not be under its Seal.

#### **DEAD LOCK**

126. (1) Deadlock: If Investor Consent is not provided in accordance with Reserved Matter Notice on Critical Items within the Reply Period then such item shall be referred to as a Deadlock Issue. If such Deadlock Issue cannot be resolved by the Board in accordance with Article 78(12) at a duly convened meeting of the Board, within 30 (thirty) Business Days from the date on which the Deadlock Issue occurred, the Shareholders shall in good faith attempt to resolve such Deadlock Issue through discussions and negotiations between the chief executive officer of the Shareholders ("**Senior Executives**") or their respective nominees.

(2) Escalation. If the Deadlock Issue is still not resolved through discussions and negotiations between such Senior Executives or their respective nominees within 30 (thirty) Business Days, then the Senior Executives or their respective nominees shall refer the Deadlock Issue to the Chairman of each of the Shareholders or their nominees to resolve such Deadlock Issue. Any agreement between the Chairman of each of the Shareholders or their respective nominees shall be given effect to without delay.

(3) Resolution of Deadlock. If such Deadlock Issue is still not resolved within 90 (ninety) Business Days following the date on which the Deadlock Issue occurred then the Parties shall resolve the Deadlock Issue in the following manner:

- (a) and the Deadlock Issue shall be proceeded with in the manner determined by the Sponsor; and

- (b) the Sponsor and its Affiliates shall have the right to purchase all the Shares owned or controlled by the Investor (“**Exiting Shareholder**”) and the Exiting Shareholders shall have the obligation, and shall cause their respective Affiliates, to sell all the Shares owned or controlled by the Exiting Shareholders and their respective Affiliates at a price being an amount equivalent to the 110%] of the FMV Price within a period of 90 (ninety days) from the expiry of the Deadlock resolution period set out above in this Article 126(3).

127. (1) Event of Default Provisions: Any Shareholder (“**Non-Defaulting Shareholder**”) shall be entitled to provide a **notice** in writing (“**Default Notice**”) to the Company and the other Shareholder, as the case may be, if any of the events (“**Events of Default**”) set out below shall occur in relation to a Defaulting Shareholder (the “**Defaulting Shareholder**”):

- (a) an order is made or an effective resolution is passed, or analogous proceedings are initiated and not dismissed or withdrawn within 45 (forty-five) Business Days, for the winding up of the Defaulting Shareholder;
- (b) the Defaulting Shareholder makes a general assignment for the benefit of its creditors;
- (c) the Defaulting Shareholder has a receiver or manager appointed over its shares or all or a substantial part of its undertaking or assets other than for the purposes of amalgamation or reorganisation not involving or arising out of insolvency provided that if an order appointing a receiver or manager is passed, the same has not been vacated within 90 (ninety) Business Days;
- (d) Any material breach of any representation, warranty or covenant under these Articles or any other Transaction Document, which is not cured to the satisfaction of the Non-Defaulting Shareholder within 60 days from the date of its occurrence.

(2) Consequences of Event of Default: In the event of occurrence of an Event of Default and delivery of Default **Notice** by the Non-Defaulting Shareholder to the Defaulting Shareholder, the Non-Defaulting Shareholder may do either of the following:

- (a) Investor Default: If Default Notice is served by the Sponsor being the Non-Defaulting Shareholder, the Sponsor shall have the right to purchase all the Shares owned or controlled by the Defaulting Shareholder and its Affiliates and the Defaulting Shareholder shall have the obligation to sell all the Shares owned or controlled by the Defaulting Shareholder and its Affiliates at a price being an amount equivalent to the lower of (a) the Minimum Threshold and (b) 90% (ninety percent) of the FMV Price (“**Sponsor Call Option**”), or
- (b) Sponsor Default: If the Defaulting Shareholder is the Sponsor, the Non-Defaulting Shareholder being the Investors shall have the right to sell all the Shares owned or controlled by the Non-Defaulting Shareholder and their respective Permitted Transferees and the Sponsor shall have the obligation to purchase all the Shares owned or controlled by the Non Defaulting Shareholders and their Permitted Transferees at a price being an amount equivalent to the higher of (a) the Minimum Threshold or (b) 110% (one hundred and ten percent) of the FMV Price (“**Investor Put Option**”).

Provided, however, the Sponsor Call Option and the Investor Put Option shall be exercised by the respective party within a period of 90 days from the date of occurrence of such default as set out in this clause and provided such default is continuing.

(3) For the purposes of these Articles, “**FMV Price**” shall mean the fair market value of

Shares as determined by reputed international investment bankers (“**Valuer(s)**”) as set forth in this Article 127(3). The FMV Price shall be determined on the basis of (i) a whole company valuation, (ii) an assumption that the existing arrangements would continue on a “going concern” basis (iii) calculation of necessary control premium (iv) without taking into account the diminution effect in the value due to the Event of Default. The Sponsor shall appoint a Valuer and the Investor shall appoint a Valuer each at their cost and subject to the foregoing sentence the two Valuers shall independently determine the value of the Shares within a period of 30 (thirty) Business Days of the date of their appointment. If the FMV Price calculated by the two Valuers is within a range of 10% (ten percent), then the FMV Price would be the average of the FMV Price as calculated by the Valuers. If the FMV Price calculated by the 2 (two) Valuers is not within a range of 10% (ten percent), then the Valuers would get a further 15 (fifteen) Business Days to agree to a mutually acceptable FMV Price. In the event the Valuers fail to agree on a mutually acceptable FMV Price, then, the Sponsor shall appoint a Valuer and the Investor shall appoint another valuer (“**Final Valuer**”) within a period of 7 (seven) Business Days thereafter failing which Valuer appointed by the Sponsor shall be the Final Valuer. The cost of the Final Valuer will be shared equally by each of the appointing parties. The Final Valuer will provide its determination of the FMV price within a period of 30 (thirty) Business Days. The FMV Price determined by the Final Valuer would be final and binding on the Parties. The Valuer and the Final Valuer are experts and not arbiters and any valuation provided by the Valuer and/or the Final Valuer cannot be the subject matter of arbitration proceedings pursuant to these Articles.

#### **LIQUIDITY EVENT**

**128.** The Company shall make Best Efforts to procure an exit option for the Investors (“**Liquidity Event**”) on the total investment in the Shares of the Company so that the Investor realizes a return which is at or above the Return Threshold on its total investment.

The Company and the Shareholders agree and undertake to commit to use their Best Efforts to pursue a Liquidity Event by December 31, 2014. This Liquidity Event may take place through any means, severally or in any combination, from time to time, including without limitation the following:

- (i) listing of the Shares of Company on the Stock Exchange(s) through a IPO; or
- (ii) any other mechanism deemed appropriate and mutually agreed between the Investor and the Sponsor at the given market conditions.

For avoidance of doubt, the Company is not required to provide the Investors with the Return Threshold in case of an IPO.

#### **INDEMNITY**

**129.** Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

#### **ACCOUNTS**

**130.** (1) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(2) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

#### **SECRECY CLAUSE**

**131.** No members shall be entitled to visit or inspect the Company's Works without the permission of the Directors or to require discovery of or any information respecting any

detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interest of the members of the Company to communicate to the public.

### **REGISTERS, BOOKS AND DOCUMENTS**

**132.** (1) The registers, books and documents shall be maintained in conformity with the applicable provisions of the Act and shall be kept open for inspection by such persons as may be entitled thereto respectively, under the Act, on such days and during such business hours as may, in that behalf, be determined in accordance with the provisions of the Act or these Articles and extracts shall be supplied to the persons entitled thereto in accordance with the provisions of the Act or these Articles.

(2) The Company may keep a Foreign Register of Members in accordance with Section 88 of the Act. Subject to the provisions of Section 88 the Directors may from time to time make such provisions as they may think fit in respect of the keeping of such Branch Registers of Members and/or Debenture holders.

### **THE SEAL**

**133.** (1) The Board shall provide for the safe custody of the seal.

(2) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

### **WINDING UP**

**134.** (1) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(2) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(3) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

We, the several persons whose names and addresses are subscribed below are desirous of being, formed into a company in pursuance of this Articles of Association.

Sr. No.	Name Address description and Occupation of each subscribers	Number of Equity of shares taken by each subscriber	Signature of subscribers	Signature of witness with name, address description and occupation
1	<p>Arun Gupta</p> <p>S/o, Mr. R.K. Gupta</p> <p>A-84/A, South Ex.-II, New Delhi-49</p> <p>Service</p>	10	Sd/-	<p>I witness the signature of both the subscribers</p> <p>Sd/-</p> <p>(Harvinder Jit Bhatia)</p> <p>M. No. 88426</p> <p>S/o Late Mr. T.S. Bhatia 303, Mansarovar, 90, Nehru Place, New Delhi - 19</p>
2	<p>Bhuvnesh Dutt Sharma</p> <p>S/o Shri S D Sharma Site-IV182, Vikas Puri, New Delhi-18</p> <p>Service</p>	10	Sd/-	
		20 (Twenty)		

Place : New Delhi

Dated this 27<sup>th</sup> Day of July 1994